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PARIS, FRIDAY, MAY 18, 1990

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Gorbachev Meets Lithuania Leader, Repeats His Terms

By Bill Keller
New York Times Service
MOSCOW — President Mikhail S. Gorbachev met Thursday with the prime minister of Lithuania and agreed to begin talks with the breakaway republic if its parliament suspended its March 11 declaration of independence.
The prime minister, Kazimieras Prunskis, said the Kremlin meeting was a significant step toward the beginning of negotiations that could lower tensions over Lithuania's claim of sovereignty and possibly end the partial economic blockade Moscow has imposed.
Both Mrs. Prunskis and the Soviet press agency Tass said one hurdle remained in the way of the start of talks: Lithuania has offered to suspend the enforcement of its independence proclamation — including laws repealing the Soviet military draft and laying claim to federal property — but insists that suspending the act itself would surrender its claim to bargain with Moscow as an equal partner.
Mrs. Prunskis said she had told Mr. Gorbachev that independence itself was not negotiable. Nevertheless, she did not rule out some additional concession by the Lithuanian government.
"Now we know to what extent the other side has moved ahead, that there has been major progress, and what are the sticking points on the main issues," she said.
Briefly, we can say quite clearly that the desire and intention to begin a discussion on the entire range of issues, within a framework of interests on both sides, have been expressed.
The meeting appeared likely to ease the threat that the Lithuanian issue might overshadow Mr. Gorbachev's May 30-June 3 meeting in



BAKER HEARS A PROMISE TO A BABUSHKA — The Soviet foreign minister, Eduard A. Shevardnadze, left, and the U.S. secretary of state, James A. Baker 3d, visiting the house of an elderly Russian woman in Radonezh, a village near Moscow, on Thursday. Afterward, Mr. Shevardnadze promised another babushka that the village's church would be reopened. Page 2.

Moscow Tries New Lever On the German Question

Kremlin Freeze on Its Troop Withdrawal Is Linked to Satisfaction on Reunification

By Joseph Fitchett
International Herald Tribune
The Soviet Union said Thursday that it had halted unilateral withdrawal of its troops from East Germany until Moscow was satisfied with the terms of German reunification and new Western concessions in negotiations on cutting conventional forces in Europe.
The statement, by Gennadi I. Gerasimov, the Foreign Ministry spokesman, followed diplomatic moves hinting that Moscow was positioning itself to wield stronger leverage over security arrangements in a united Germany.
It is a "blatant attempt to panic German opinion and the West German government" into believing that Moscow can control the momentum of the German reunification process, a Western policymaker said.
A possible Soviet objective, he said, was to convince German and European opinion that reunification must entail deep cuts in U.S. and other North Atlantic Treaty Organization military forces, including West German troops, to offset lost Soviet military positions in East Germany.
The official predicted that the new Soviet moves would be followed by a Soviet diplomatic campaign to unnerve Bonn. But other officials, while dismayed by the news, said that Moscow's tougher stance could be a tactic aimed at extracting more economic and diplomatic benefits from the West while winning time to consolidate domestic political support.
West German military sources said Thursday that the Soviet decision covered two armored divisions — normally numbering about 12,000 men and equipped with 2,000 battle tanks — scheduled to leave East Germany this month.
Mr. Gerasimov said that the withdrawal had been part of an overall peace treaty ending World War II as the condition for a united Germany.
Now that Moscow has agreed to remove all Soviet troops from Hungary and Czechoslovakia, Mr. Gerasimov said, the Kremlin would "overfulfill" its original initiative.
He emphasized that the unilateral withdrawals were not part of an East-West agreement. When two Soviet armored divisions left East Germany last year, they left their artillery, which is subject to negotiations in Vienna on conventional disarmament.
Even if the Soviet moves do not signal a turning point away from Mr. Gorbachev's pursuit of more constructive relations with the West, a Western official said, the Vienna talks, which had been expected to produce an agreement this year, are likely to be thrown into disarray.
The Soviet action, diplomats said, confirmed recent indications that the military establishment had gained new influence on policy-making in Moscow.
The prospect of losing control of East Germany, home to 380,000 Soviet troops and the largest and best-equipped Soviet armored forces stationed abroad, apparently crystallized military opposition in Moscow and persuaded Mr. Gorbachev to seek better terms.
In recent weeks, Soviet negotiators in the Vienna talks have indicated that they wanted changes in the agreed ceilings on Soviet armor in the western Soviet Union to compensate for the prospective removal of all Soviet garrisons from Warsaw Pact countries.
Mr. Gerasimov indicated that Moscow intended to leave Soviet forces in East Germany until the future status of the two Germanys was settled.
Amid mounting Western pressure for speedy reunification, Moscow unexpectedly surfaced another potential obstacle last week by hinting that it may demand a formal peace treaty ending World War II as the condition for a united Germany.
Mr. Gorbachev, in a public reminder of Soviet legal rights in the reunification process, said in a speech marking the anniversary of the defeat of Nazi Germany that a united Germany would have to sign a final peace treaty.
Western governments have rejected the peace-conference formula as diplomatically cumbersome and politically objectionable to West Germany.
Moscow agreed in Ottawa in February to settle German unity through the Two-plus-Four talks, which involve the two Germanys and the four victorious World War II Allies: Britain, France, the Soviet Union and the United States.
Although a treaty would not legally affect the status of Western military forces on German soil under the terms of NATO agreements, an overall peace settlement could raise pressures for demilitarization of a united Germany.
The Allies' legal role in German reunification stems from the post-war occupation. After Four-Power cooperation collapsed, the three Western Allies reaffirmed their occupation rights, particularly in Berlin, to demonstrate their rejection of a separate East Germany and their commitment to the goal of German reunification.
A West German official firmly rejected Soviet calls for a treaty.
"It would raise juridical problems, including reparations, and it would set the wrong tone in the West about reunification, making it the end of the last war instead of the start of a new era," the official said.
U.S. officials, noting that Moscow's freeze on troop withdrawals coincides with Secretary of State James A. Baker 3d's talks in Moscow, said that it might fit a larger pattern of tougher Soviet tactics aimed at weakening Allied confidence in attaining speedy reunification.
But, a European official said, "fundamentally, Soviet commanders must want to get their troops out of East Germany soon before their position becomes untenable."
Echoing other officials, a Western policymaker said, "Soviet threats of this sort used to work, but they have failed to sway the Germans in recent years. And I think that they will fail this time."
West German officials attributed the Soviet move to Moscow's problems in finding housing and jobs for Soviet officers being repatriated.

Romania Vote: Picking a Future Out of the Gloom

By Celestine Bohlen
New York Times Service
BUCHAREST — Romania heads into its first free elections on Sunday with a tenuous hold on its newly won freedoms, facing a future that looks almost menacing.
The streets of Bucharest are still dark at night, even though restrictions on electricity use, one of the most hated measures imposed by Nicolae Ceausescu, were lifted days after the dictator was overthrown in December after 24 years.
Romanians will tell you there is more light now than before, but it is just enough to cast shadows on the main boulevards and radiate a pale glow from the giant apartment blocks on the city's edge.
No matter how one arrives in Romania, the country looks as if it is falling apart. Bucharest's air would be a disgrace anywhere. Water drips from the ceiling, floor tiles are cracked, plants are dead or dying in their pots, and the first word of greeting for a visitor, passing an armed sentry at a makeshift checkpoint, is a whispered "cigarettes."
The darkness in the capital heightens the uneasy feeling many people have about Romania as the elections approach, five months after the only violent revolution in Eastern Europe.
About 80 parties are competing in elections for a 387-seat Assembly of Deputies and a 119-seat Senate. Three candidates — two émigrés and a former high-ranking Communist official — are vying for the presidency.
Violence has erupted between opposing groups — some of it, many believe, orchestrated by the National Salvation Front, which took command of the country during the revolution and has acquired a reputation among many Romanians as protector of the old order.
The Front remains the dominant partner in the provisional government.
The presidential candidate for the Liberal Party, Radu Ceausescu, was attacked in a provincial town last week. The Pensants Party candidate, Ion Radu, has reported similar assaults.
And a round-the-clock anti-Front, anti-Communist protest in one of Bucharest's main squares since April 22 has kept up pressure on Ion Iliescu, leader of the Front and the interim president.
Despite this, the Front retains support in regions outside the capital, and Mr. Iliescu is considered the favorite in the presidential race.
From its earliest moments, the Front has been caught in contradictions of its own making. In the days after Mr. Ceausescu's fall, it appointed itself guardian of the revolution. For the last few months, it has been repeatedly accused of selling out the revolution in order to hold onto power.
The credibility of the Front is the central issue in the election campaign. For many, it is a simple article of faith that the Front and its top leaders are bent on destroying Romania's infant democracy and turning the clock back toward a kind of Gorbachevian communism.
Others say this pessimism flies in the face of the hands-off policy toward public protests, and the open criticism of the Front that appears daily in the glut of newspapers and journals sold in Bucharest.
"We have never in our history had such freedom of the press," said Marin Sorescu, a poet and essayist. "What is good is the lucidity of the intellectuals, who are now

Kohl Assures Bush on NATO

By John M. Goshko
Washington Post Service
WASHINGTON — Chancellor Helmut Kohl of West Germany assured President George Bush on Thursday that a reunified Germany intended to be a full member of the North Atlantic Treaty Organization.
Mr. Bush replied that he would tell the Soviet leader, Mikhail S. Gorbachev, that the new German state must be free to choose its own security alliances.
Their agreement that Germany must remain in NATO came at a White House meeting in which the two leaders discussed the positions that Mr. Bush will take at his meeting here with Mr. Gorbachev that begins May 30.
At a joint appearance before reporters and at a later news conference by Mr. Kohl, the two leaders emphasized that while the Soviet Union must have reasonable assurances for its security, the West must make it clear that its insistence on German NATO membership is not negotiable.
This Western position is directly counter to Soviet demands that the state resulting from a merger of West and East Germany must be neutral. In what could be a warning that arguments about NATO could become a major obstacle to reunification, the Soviet Foreign Ministry spokesman, Gennadi I. Gerasimov, announced in Moscow that further withdrawals of Soviet troops from East Germany would depend, in part, on resolution of the German question.
Mr. Bush said that a united Germany should have "full control over all its territory," and he added that reunification should completely end the Allies' postwar rights in Germany.
"Forty-five years after the end of the war," Mr. Bush said, "there is no reason that a unified democratic Germany should be in any way singled out for some special status."
Britain, France and the United States support West Germany's call for a reunified Germany to be part of NATO. But the Soviet Union — the fourth of the World War II Allies — contends that the new Germany should be neutral, or non-aligned.
See KOHL, Page 8

Klosk

U.K. Engineer Dead in Iraq

BAGHDAD (Reuters) — Iraq said Thursday that a British engineer installing machinery for its industry ministry had been found dead in his Baghdad hotel room.
A spokesman for the Interior Ministry told the Iraqi press agency that the engineer, Gordon Glass, 58, who arrived in Baghdad two weeks ago with two other engineers from London, had been found by a colleague.
The spokesman said the circumstances of his death were unclear, but the British Foreign Office in London said he had been hit over the head by a mugger.
In April, British customs seized a shipment of steel pipes bound for Iraq, saying they could be parts for a huge gun. Baghdad said they were for a petrochemical project.

Taiwan Stops Ship

TAIPEI (AP) — Plans to broadcast pro-democracy messages to China from a radio ship have been postponed indefinitely, an organizer said Thursday, because Taiwan refused to allow a powerful transmitter through customs.

General News

Two messianic Jews admitted they desecrated 300 Jewish graves in Haifa. Page 2.
China bluntness refused Taiwan's offer on a dialogue. Page 4.
The U.S. agency managing the theft cleanup is vowing a \$16 billion trove. Page 3.
Crossword Page 18.
Down Close The Dollar In New York
DM 1.8494
DM 1.893
Yen 152.15
FF 6.557

Abu Nidal Disarray Deepens

By Youssef M. Ibrahim

New York Times Service
TUNIS — Palestinian, Tunisian and U.S. intelligence officials here say the Abu Nidal guerrilla organization, which last year split in a fierce internal struggle that left 150 of its members dead, sank into further disarray in the last two weeks.
The latest breakdown followed an attempt in Algeria to kill Abdulrahman Issa, one of the group's most senior commanders and leader of the faction opposing the group's leader, Abu Nidal, 52, whose real name is Sabri Banna.
The move led Algeria to clamp down on the two factions. Last year, Libya also imposed severe restrictions on the group's movements.
Mr. Issa was attacked by three close aides of Abu Nidal as he returned to his temporary residence in a villa in the Club des Pins, a sea resort just outside Algiers, the officials said in separate interviews.
The officials said Mr. Issa was seriously wounded in the attack, which began as an attempt to abduct him before he fought off his assailants and called for help. He is reportedly recuperating from gunshot wounds in an Algerian hospital.
After breaking with Abu Nidal, Mr. Issa moved from Libya, where the Abu Nidal group has its headquarters, to Tunis and then on to Algeria. He has since tried to rally around him allies from inside the organization, known as the Fatah Revolutionary Council.
A report by the U.S. State Department last year described Abu Nidal's organization as the world's most dangerous terrorist group. The report said it was responsible for some of the most heinous acts of terrorism, including the killing of 21 people in the bombing of a synagogue in Istanbul in 1986.
Since it split with the Palestine



TOKYO CHECK — A policeman inspecting a car Thursday near the South Korean Embassy in Tokyo. The police are on alert for efforts to disrupt next week's visit by President Roh Tae Woo.

In Rebel Ethiopia Province, War Brings a Land of the Night

By Neil Henry
Washington Post Service
ENDAS SELASSIE, Ethiopia — The truck's headlights sliced through the dusty night, illuminating a world of startling vitality. Camel and goat herders ambled through the streets, leading their beasts to a midnight market. Relief workers stacked bags of Canadian wheat by the flickering orange flames of oil lanterns.
As the truck rumbled on, its lights shone on a young man in tattered green togs. His head was bandaged and he limped with a wooden cane. Soon, hundreds upon hundreds of other ragged men were caught by the light, all trudging barefoot out of town.
"Mengistu's people," said a rebel soldier, automatic rifle in hand, as the truck slowly threaded its way through the silent multitudes. "Prisoners of war."
This is the northern Ethiopian province of Tigre, home of 2.6 million people, a cradle of cultural and religious history and the heart of a rebellion that is threatening to sweep away the Marxist-led government of President Mengistu Haile Mariam.
In a civil war that has claimed about 400,000 lives here and in the neighboring region of Eritrea in the past 30 years, few in northern Ethiopia are untouched by terror.
Terror underscores nearly every aspect of human existence. Most routine activities must take place after dark because of frequent raids and daytime bombings by the government's MFG fighters.
It is a land of the night.
Village marketplaces open only after dark. Many fields are plowed and sown after dark. Distribution of grain to peasants is often carried out by moonlight or the glow of a lantern. It is a world whose mysteries are revealed to a visitor only with the aid of a flashlight or a candle or the headlights of a passing truck.
Fourteen months ago, rebels of the Tigre People's Liberation Front crushed Colonel Mengistu's soldiers in a series of furious battles here. More than 75,000 government troops — indeed, all vestiges of the Addis Ababa-based government itself — were ousted from this province.
Since that time, the 70,000-strong rebel army not only has consolidated its military and political control over Tigre but also has marched scores of miles even farther south to threaten the capital.
The peasant rebels, vowing to depose Colonel Mengistu and to form a broad-based government, occupy a front about 120 miles (195 kilometers) north of their objective.
In many ways, Tigre is a land cut off in time and place not only from Ethiopia, but from the rest of the world. The only way for a visitor to enter the rebel-held province is to hitch a ride with a convoy of relief trucks that leave nightly from the Sudanese border.
The grain-bearing convoy, a frequent target of at-

Arms Talks Going Slowly, Baker Says

MOSCOW — The United States and the Soviet Union resumed talks on Thursday but appeared to be making little headway.
Going into a second meeting with the Soviet foreign minister, Eduard A. Shevardnadze, Secretary of State James A. Baker 3d was asked whether Moscow had softened its position on a strategic arms reduction treaty.
He replied, "Not a lot."
American officials were gloomy in assessing prospects for a treaty. One said the Soviet position had been tougher than expected. Another said a four-hour meeting between the two ministers on Wednesday had produced little progress.
When Presidents George Bush and Mikhail S. Gorbachev met off Malta in December, they set their sights on reaching a strategic arms agreement in principle in time for their May 30-June 3 summit meeting in Washington.
The agreement, which would lead to deep cuts in superpower arsenals of long-range nuclear arms, was clearly intended to be the centerpiece of the meeting.
But negotiations have stalled over air- and sea-launched cruise missiles, with disagreement centering on the range of missiles to be covered in the treaty and whether to include binding, verifiable limits on sea-launched missiles.
Later, concluding a visit with Mr. Shevardnadze to the monas-

tery of Zagorsk, outside Moscow, Mr. Baker offered a slightly brighter assessment.
"We hope we'll make some progress," he said. "We'll know more when we get back because the working groups have been at it while we've been here."
A Soviet deputy foreign minister, Alexander A. Bessmertnykh, said Moscow wanted balanced agreements that gave neither side an advantage.
"It is a very crucial moment," he said. "Only two weeks are left before the summit meeting. A taxing, genuine diplomatic exchange is underway."
The Soviet Foreign Ministry
See BAKER, Page 8

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The grain-bearing convoy, a frequent target of at-

tack by nomadic bandits and government fighter jets, is a lifeline without which many in Tigre would starve. This is one of Ethiopia's poorest and most backward regions, prone to drought and famine. The once-rich farmland of Tigre has been severely eroded during centuries of overuse, and now hundreds of thousands of acres appear to be little more than barren expanses of stones, dead trees and ankle-deep dust.

It is a nation without a state, whose character has been shaped by years of warfare. Scores of rusted Soviet-made tanks and troop-carriers lie on roadsides and pastures.

Tigre is host to more than 35,000 Ethiopian prisoners of war, some as young as 13. Many were forcibly conscripted to fight the advancing rebels.

Allowed to go home if they desire after completing a six-month "re-education program" run by the rebels, most seem to prefer to remain in Tigre rather than face

See TIGRE, Page 8

Premier Balks on Elections

NATO Issue First, De Maizière Says

Compiled by Our Staff From Dispatches
STRASBOURG, France — All-German elections cannot be scheduled until external issues of German unity are settled to the satisfaction of all parties to the reunification talks, Prime Minister Lothar de Maizière of East Germany said Thursday.

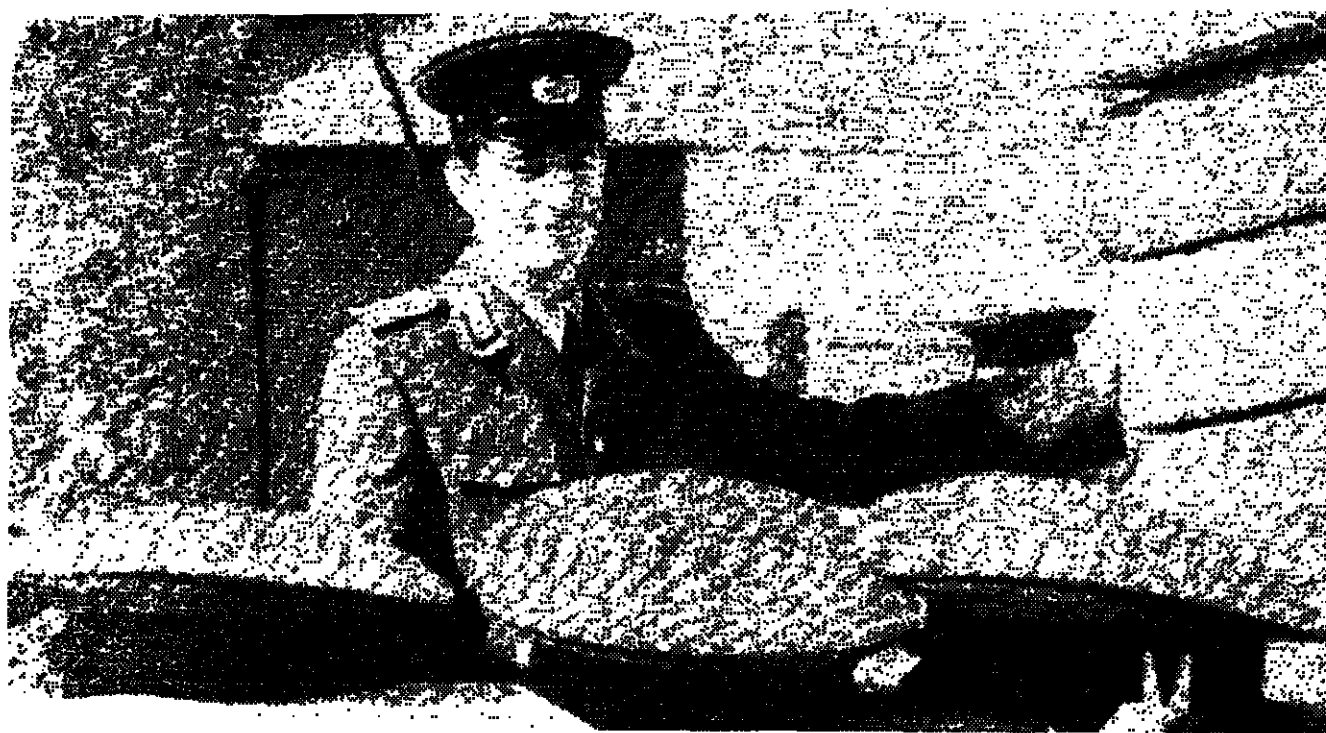
The Soviet Union, a party to the Two-plus-Four talks on German unity, has balked at other parties' insistence that a unified Germany be a member of the North Atlantic Treaty Organization.

"The date of elections can only be settled when some conditions are fulfilled," the East German leader said at a news conference at the European Parliament here.

Chancellor Helmut Kohl of West Germany has proposed early joint elections, perhaps as early as December.

But Mr. de Maizière said internal and external aspects of German unity must first be resolved through the Two-plus-Four talks "in a good manner, and not with one partner dissenting."

The Soviets seek a neutral united



ARMY SURPLUS — An East German soldier looking through the Berlin Wall on Thursday at a street peddler's display of army hats that belonged to his former colleagues. Military items from the East bloc nations are widely available in Berlin from street vendors.

Germany, a position unacceptable to the United States and other parties to the reunification talks.

The Two-plus-Four talks, involving the two Germanys and the World War II allies — France, Britain, the Soviet Union and the United States — reached the foreign minister's level earlier this month in Bonn and are slated to continue next month in East Berlin.

Asked if he was skeptical or optimistic his conditions for all-German elections could soon be met, Mr. de Maizière replied: "I do not have the gift of prophecy."

General elections are scheduled in West Germany on Dec. 2.

Mr. de Maizière said Germany "has the right to be part of an alliance, of course, but if that alliance is NATO then the nature of NATO must change, by increasing the political structures of NATO

and decreasing the military aspects of NATO."

Mr. de Maizière said it was important for East Germany to maintain its ties with the Soviet Union.

In another development, the East German parliament said Thursday that it would screen all successful candidates in recent local elections to check if they ever spied for the Stasi.

Deputies, some of whom are

themselves suspected of links to the hated Stasi secret police, agreed to set up a commission that would investigate the pasts of some 18,000 local and district councillors elected May 6.

A member of the committee that organized the disbanding of the Stasi has estimated such a check will take almost as long to carry out as the four years in office accorded to local politicians. (UPI, Reuters)

The second suspect, Gershon Tannenbaum, and his wife are members of a messianic group and persuaded Mr. Goldner to join them, Israeli radio said. The group practices a mystic form of Judaism based on the belief that it can hasten the arrival of the messiah.

The national police commissioner, Yaakov Turner, said Mr. Goldner and Mr. Tannenbaum were inspired by the desecration graves in the French town of Carpentras.

In Strasbourg, France, the European Parliament on Thursday condemned the desecrations of Jewish cemeteries in France and East Germany and the rise of racism and anti-Semitism across Europe. In a resolution, it said that it was "deeply concerned" and that those responsible should be "severely punished."

Members of the assembly's far-right group, led by the head of the National Front party in France, Jean-Marie Le Pen, were alone in voting against the motion.

The resolution, adopted by a vote of 167 to 12, with one abstention among the 518 members, condemned "any action likely to exacerbate racism and intolerance."

(AP, Reuters)

WORLD BRIEFS

Herzog Extends Shamir's Mandate

JERUSALEM (AP) — President Chaim Herzog granted Prime Minister Yitzhak Shamir a 21-day extension on his mandate to form a new government on Thursday.

"Shamir came to the president and asked for 21 days," Mr. Herzog's spokesman said. "He got 21 days."

A spokesman for Mr. Shamir said the interim prime minister had asked for extra time because of disputes with potential partners over the distribution of cabinet posts. Mr. Shamir's previous mandate expires Friday. He has tentative agreements that would give him a parliamentary majority, but he has been unable to sign pacts with three far-right parties and three Orthodox religious factions.

U.S. and Manila 'Inch' Toward Pact

MANILA (Combined dispatches) — U.S. and Philippine officials met Thursday to discuss compensation for U.S. military bases but failed to agree on the contentious issue of payment.

"We are trying to hammer out differences," said a spokesman for the Philippines, Rafael Alunan. He added that the negotiators were "inching toward some sort of agreement" on the issue. The talks were to resume Friday before the departure of the chief U.S. negotiator, Richard L. Armitage, for Japan. The Philippines asserts that the United States owes more than \$222 million in compensation for Clark Air Base, Subic Bay Naval Base and four smaller facilities.

In Washington, the Pentagon announced plans Thursday to step up security for the military and civilian defense employees who live off the U.S. bases. The action followed the killing Sunday of two U.S. airmen, who were gunned down in front of their hotel in Angeles City, north of Manila. (AP, UPI)

100,000 Back Algeria Ruling Party

ALGIER (AP) — An estimated 100,000 people marched Thursday through central Algiers, singing patriotic songs and chanting for the ruling National Liberation Front.

Proclaimed as a "national demonstration of fraternity and solidarity," the march was intended as a reply to the fundamentalist Islamic Salvation Front and a pro-democracy movement, which organized similar, separate demonstrations during the past month.

By contrast with last week's pro-democracy demonstration, which drew about 100,000 people in pouring rain, the ruling party's march occurred in sunshine. The fundamentalists' march on April 20 drew an estimated 200,000 people.

Clashes Feared in South Africa Town

WELKOM, South Africa (Reuters) — The South African police rushed more reinforcements to this gold mining town on Thursday, fearing clashes between rightist whites seeking vengeance after demonstrating black miners killed two whites.

The two whites were stoned and stabbed to death Wednesday as mine security forces tried to break up a demonstration by black workers at the President Steyn mine outside Welkom. Witnesses said about 100 whites, many of them armed and wearing the khaki colors of the neo-fascist Afrikaner Weerstandsbeweging demonstrated outside the Welkom police station on Thursday, yelling, "We want blood!"

Welkom, about 300 kilometers (180 miles) south of Johannesburg, has been gripped by racial tension since white vigilantes took to the streets in March to contain what they describe as a rising spiral of crime. Black community leaders, who said the vigilantes had killed two blacks, retaliated by boycotting white businesses. Businessmen have in turn threatened to stop wholesalers serving black-owned shops to starve out the residents of Thabong. Welkom's black township.

British Leaked Notes on IRA Suspects

BELFAST (Reuters) — A top police officer said Thursday that members of the British security forces in Northern Ireland had passed information on men suspected of being Irish Republican Army guerrillas to Protestant killer gangs.

A total of 94 people have been arrested in an investigation that uncovered more than 2,500 documents, including computer printouts and photographs relating to IRA members fighting to expel Britain from the province.

"I have been able to draw the firm conclusion that members of this security forces have passed information to paramilitaries," Deputy Chief Constable John Stevens said after publishing his report. The leaks were restricted to a small number of individuals who had abused their positions of trust, he said, adding, "This abuse is not widespread or institutionalized."

For the Record

An extreme-left guerrilla group in Greece, November 17, took responsibility Thursday for a series of bombs that started small fires and blacked out the wealthy Athens suburb of Ekali for 20 minutes. No one was hurt by the explosions or fires on Tuesday. (Reuters)

The director-general of Unesco, Federico Mayor Zaragoza, has dropped plans to appoint a high-level committee of experts to advise him. Mr. Mayor said late Wednesday that his idea for the new appointments to the troubled agency had run into "cutting criticisms." (APF)

At least nine people in Siberia have died in huge forest fires that were raging to the south and east of Lake Baikal on Thursday, Tass reported. The fires, which swept through forests in the Irkutsk region, destroyed more than 600 homes and 13 factories. (Reuters)

A former American hostage in Lebanon, Robert Polhill, was reported in good condition after surgery on Thursday to remove his cancerous lymphoma. Doctors said the operation was a success. Mr. Polhill was freed April 22 after more than three years of captivity. (AP)

The president of the Dominican Republic, Joaquín Balaguer, was virtually tied Thursday with a former president, Juan Bosch, according to partial returns from the elections on Wednesday. Each was reported as having about 34 percent of the vote based on a third of results. (UPI)

TRAVEL UPDATE

East German transport workers briefly halted train traffic nationwide Thursday to demand higher wages and job protection. The 30-minute strike paralyzed main rail routes, switching yards, train stations and ticket offices, the press agency ADN said. (Reuters)

The State Department is warning Americans against traveling to Abidjan, Ivory Coast, until further notice because of civil unrest that has affected operations at the capital's international airport. (UPI)

Hundreds of travelers in Tanzania have been stranded after the national airline canceled international flights and cut domestic operations to a minimum to carry out maintenance on its planes. Air Tanzania had been forced to ground its two Boeing 737s because they had flown the maximum hours allowed between maintenance checks. (Reuters)

WEATHER

EUROPE				ASIA			
	HIGH	LOW	WIND		HIGH	LOW	WIND
Amsterdam	57	45	W 10-15	Bangkok	84	74	SE 10-15
Brussels	55	43	W 10-15	Beijing	72	62	SE 10-15
Copenhagen	53	41	W 10-15	Delhi	82	72	SE 10-15
Frankfurt	51	39	W 10-15	Hong Kong	80	70	SE 10-15
London	49	37	W 10-15	Kobe	78	68	SE 10-15
Madrid	47	35	W 10-15	Manila	76	66	SE 10-15
Moscow	45	33	W 10-15	Osaka	74	64	SE 10-15
Paris	43	31	W 10-15	Seoul	72	62	SE 10-15
Rome	41	29	W 10-15	Taipei	70	60	SE 10-15
Stockholm	39	27	W 10-15	Tokyo	68	58	SE 10-15
Zurich	37	25	W 10-15				
AFRICA				LATIN AMERICA			
	HIGH	LOW	WIND		HIGH	LOW	WIND
Algiers	62	52	SE 10-15	Buenos Aires	68	58	SE 10-15
Cairo	60	50	SE 10-15	Caracas	66	56	SE 10-15
Harare	58	48	SE 10-15	Guatemala	64	54	SE 10-15
Joannesburg	56	46	SE 10-15	La Paz	62	52	SE 10-15
Lima	54	44	SE 10-15	Managua	60	50	SE 10-15
London	52	42	SE 10-15	Medan	58	48	SE 10-15
Los Angeles	50	40	SE 10-15	Montevideo	56	46	SE 10-15
Moscow	48	38	SE 10-15	Nairobi	54	44	SE 10-15
Paris	46	36	SE 10-15	San Jose	52	42	SE 10-15
Rome	44	34	SE 10-15	Santiago	50	40	SE 10-15
Stockholm	42	32	SE 10-15	Sao Paulo	48	38	SE 10-15
Zurich	40	30	SE 10-15	Tegucigalpa	46	36	SE 10-15
MIDDLE EAST				OCEANIA			
	HIGH	LOW	WIND		HIGH	LOW	WIND
Amman	65	55	SE 10-15	Auckland	60	50	SE 10-15
Baghdad	63	53	SE 10-15	Christchurch	58	48	SE 10-15
Bombay	61	51	SE 10-15	Dunedin	56	46	SE 10-15
Calcutta	59	49	SE 10-15	Hamilton	54	44	SE 10-15
Colombo	57	47	SE 10-15	Wellington	52	42	SE 10-15
Dhaka	55	45	SE 10-15				
Delhi	53	43	SE 10-15				
Dissemination	51	41	SE 10-15				
Guwahati	49	39	SE 10-15				
Hyderabad	47	37	SE 10-15				
Jaipur	45	35	SE 10-15				
Kolkata	43	33	SE 10-15				
Madras	41	31	SE 10-15				
Mumbai	39	29	SE 10-15				
Nagpur	37	27	SE 10-15				
Pune	35	25	SE 10-15				
Ranchi	33	23	SE 10-15				
Shimla	31	21	SE 10-15				
Srinagar	29	19	SE 10-15				
Thiruvananthapuram	27	17	SE 10-15				
Vadodra	25	15	SE 10-15				
Vijayawada	23	13	SE 10-15				
Warangal	21	11	SE 10-15				
Zhuzhou	19	9	SE 10-15				

FRIDAY'S FORECAST — CHAMBERLAIN: Mostly cloudy, Tams 10-15 (10-15), NEW YORK: Partly cloudy, Tams 10-15 (10-15), LOS ANGELES: Partly cloudy, Tams 10-15 (10-15), SAN FRANCISCO: Partly cloudy, Tams 10-15 (10-15), SEATTLE: Partly cloudy, Tams 10-15 (10-15), PORTLAND: Partly cloudy, Tams 10-15 (10-15), DENVER: Partly cloudy, Tams 10-15 (10-15), SALT LAKE CITY: Partly cloudy, Tams 10-15 (10-15), PHOENIX: Partly cloudy, Tams 10-15 (10-15), LAS VEGAS: Partly cloudy, Tams 10-15 (10-15), ALBUQUERQUE: Partly cloudy, Tams 10-15 (10-15), ANCHORAGE: Partly cloudy, Tams 10-15 (10-15), FAIRBANKS: Partly cloudy, Tams 10-15 (10-15), DENVER: Partly cloudy, Tams 10-15 (10-15), SALT LAKE CITY: Partly cloudy, Tams 10-15 (10-15), PHOENIX: Partly cloudy, Tams 10-15 (10-15), LAS VEGAS: Partly cloudy, Tams 10-15 (10-15), ALBUQUERQUE: Partly cloudy, Tams 10-15 (10-15), ANCHORAGE: Partly cloudy, Tams 10-15 (10-15), FAIRBANKS: Partly cloudy, Tams 10-15 (10-15).

Promise to a Babushka: Church Will Be Opened

By Don Oberdorfer

Washington Post Service

RADONEZH VILLAGE, U.S.S.R. — "We have no place to pray," a stooped woman in a purple shawl complained Thursday to Secretary of State James A. Baker 3d despite the presence of a large and beautiful onion-domed Russian Orthodox church.

Mr. Baker, accompanied by Foreign Minister Eduard A. Shevardnadze and aides, was getting a look at facts as well as theory of the revival of religion in Soviet Union in a six-hour excursion out of Moscow. It was a mixed picture.

Archbishop Alexander, the rector of the monastery at Zagorsk, and other high priests of the Russian Orthodox Church had told Mr. Baker of the strides the church was making under President Mikhail S. Gorbachev.

More churches are reopening for worship. More people, young and old, are filling them. The church next month will hold its first free election in many decades for a new patriarch following the recent death of the politically subservient Patriarch Pimen.

While touring the Zagorsk monastery, Mr. Baker heard a choir singing hymns as he and Mr. Shevardnadze lighted candles in an icon-lined cathedral built in the 15th century.

A black-robed priest, Father Platon, said during Mr. Baker's visit, which was undertaken at the initiative of Mr. Shevardnadze, that there had been a massive change in public attitudes.

The Soviet Union, officially hostile to religion until Mr. Gorbachev came to power, seems to have decided that "the values of Christian morality" are essential to its success, Father Platon said.

Under the imposing spires and glistening domes of the famous monastery, the message was inspiring. But a 10 minute drive away, in this village, Mr. Baker encountered other realities.

Despite reluctance from some U.S. as well as Soviet officials, Mr. Baker insisted on stopping in a village to see how rural Russians live.

This village was selected by the Soviet authorities, apparently because it was convenient and because its log cabin and wood

shingle homes are characteristic of the old Russian countryside.

But once the big black limousines, security vans and a hearse in case of sudden sickness stopped on the main street, it was clear that the visit had not been choreographed.

A little old lady in a brown shawl, a babushka as Russians describe both the grandmotherly figure and her headgear, braced Mr. Baker and Mr. Shevardnadze just outside the church, by far the most imposing building in the town, to complain it has not been open for worship in many years, "since the war."

Like many such churches, it had been turned into a museum by Communist Party authorities. The church in the village over there, said the woman, pointing across the rolling hills, has been reopened, "but ours is still closed."

The woman, who said she was 76, and her 80-year-old husband are about the first Russian citizens Mr. Baker has met in his three trips to the Soviet Union. He invited himself to her little green clapboard house, where he inspected the tiny kitchen with its

big television set, and the small living room parlor.

Outside the house, the second aged believer, this one in the purple shawl, complained even more outspokenly about the closed church, which gives the village's residents, mostly retired people on pension, no place to pray. They have written letters to Moscow, which is only 60 kilometers (40 miles) away and sent petitions, but got no reply, the woman said.

"Just move the museum," she added peremptorily when someone mentioned the present use of the former place of worship.

Mr. Shevardnadze watched with the aplomb of the new style Soviet politician who is used to rough treatment at the hands of the people. At length, he stepped in.

In a voice meant for declarations, he said to the woman and to Mr. Baker: "Let's agree that the governments of the Soviet Union and the United States promise and pledge that the church will be reopened." Mr. Baker said nothing, and the party shortly piled into their big cars in the village and roared back to Moscow.

Gorbachev Says Public Is Afraid of Perestroika

The Associated Press

MOSCOW — President Mikhail S. Gorbachev said Thursday that a conservative Soviet public afraid of change was holding back his efforts at economic and political changes.

"Changing people's minds is the most difficult thing," he said. "Perestroika depends on public opinion, and it's conservative."

Mr. Gorbachev previously has blamed bureaucrats for bogging down perestroika, his program of restructuring Soviet society. This is the first time he has said the people might be at fault.

"In politics, the public doesn't accept pluralism, and it has complex attitudes about ideological conceptions and clichés," Mr. Gorbachev told reporters during a brief break at the Congress of the Russian Republic.

Many ideological hard-liners are unhappy with Mr. Gorbachev's recent moves to end the Communist Party's monopoly on power, legalize private ownership of factories and otherwise upset basic laws of Marxism.

"In economics, they say you must not touch this and you must not touch that," Mr. Gorbachev said.

Turning to Prime Minister Nikolai I. Ryklov of the Soviet Union,

who gave a television interview last week on proposals for economic changes, Mr. Gorbachev commented, "Ryklov only said a few words and already there is great agitation in the country."

"Take any sphere, everywhere we are hindered by complexes," the Soviet leader said.

Faced with public alarm, Mr. Gorbachev has reportedly delayed a plan for radical economic changes over the last two months. He backed off suggestions by his aides that he was planning Polish-style "shock" therapy, which brought sudden price rises and mass unemployment in hopes of shortening the difficult period of transition from old-style Communism to a market economy.

Instead, Mr. Gorbachev has promised the public that nothing would be decided without discussion. He also indicated that presentation of the program to the national parliament would be delayed again because he will not discuss it with his own presidential council of advisers until Tuesday.

Mr. Gorbachev also used the encounter with reporters to reassure his people that the country can handle the current intense political struggle and its economic crisis, which has left stores near empty.

"People are saying 'Chaos, chaos, collapse, collapse,'" he said. "When Lenin watched a similar revolutionary process, he said, 'You know, this chaos will crystallize a new form of life.'"

The Soviet leader was looking relaxed and healthy after a day and a half of watching the congress wrangle over its agenda. Newly elected radicals are trying to elect Gorbachev rival, Boris N. Yeltsin, as president of the Russian Republic, and to wrest control of its affairs away from the national government. It was not clear when the vote on the presidency would take place.

Russia is the largest of 15 republics in the Soviet Union, with 52 percent of its people and three-quarters of its land mass.

Mr. Gorbachev, who stands to lose considerable prestige if his candidate, the Russian prime minister, Alexander V. Vlasov, is defeated by Mr. Yeltsin, was nonchalant when asked about the struggle.

"I see no drama in this," he said.

"This is all normal. The party has given up its monopoly."

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Henson Legacy of Happiness

Kermit, Big Bird and Co. Combine Slapstick and Soul

By Tom Shales
Washington Post Service
WASHINGTON — It is not as if this is a world into which happiness is easily brought. Bringing even a little can be a major undertaking. Jim Henson brought a lot. The precise amount is immeasurable.

A visionary, a magician, a comedian and a technician — part Hans Christian Andersen and part Thomas Edison — Jim Henson revolutionized puppetry and helped reinvent children's television. He did it through craftsmanship and showmanship, but he also did it by keeping alive within himself the child he once had been.

When death took Jim Henson on Wednesday, at the age of 53, it took that child as well.

Jim Henson presided over a national theater in miniature. His puppet company, global in impact, had among its principals a vain blond pig, a cookie-craving monster, a grinch who lived in garbage can, and a shy and mungy yellow bird. And Bert and Ernie and Grover and Scooter and Gonzo and Statler and Waldorf, and ducks and penguins and cows.

When he fathered Kermit in 1957, his world would never be the same. Neither would ours. There would be more happiness in it. There would be Muppets.

Nearly as tall and nearly as shy as Big Bird, Jim Henson had the puttery, distracted air of a scientist, a soft-spoken thinker who loved manipulating the technologies of puppetry and television

to wreak clever effects and imaginative illusions. A Muppet was, he explained, a crossbreed of marionette and puppet, more agile and snic than either had been before.

Over the years, Muppets rushed in where puppets feared to tread. They rode bicycles, they swam, they flew through the air. And they started in motion pictures.

Jim Henson's repertory company has among its principals a vain blond pig and a cookie-craving monster.

ures, a first for a bunch of actors made of felt and foam rubber.

When they branched out from "Sesame Street" and started "The Muppet Show" in the late 1970s, the Muppets were able to lure big stars (make that other big stars) to appear with them, from Linda Ronstadt to Sylvester Stallone to Milton Berle to Ethel Merman. Rudolf Nureyev appeared on the show and, with a gigantic pig, danced the "Swine Lake" ballet.

Soon after launching "The Muppet Show," which is still in circulation all over the planet, Mr. Henson agreed to show a reporter around his New York workshop. There was Kermit the frog, painfully impaled on a stand, alarmingly limp and lifeless, his green head bowed solemnly.

Mr. Henson picked him up, slipped the frog onto his hand, raised his voice a little so that it became Kermit's, and brought that froggie to life.

And the reporter, without a blink, instantly turned in his tracks and addressed his next question to the frog, as if Mr. Henson himself had vanished.

Looking around the cluttered workshop a little later, one could see other copies of Kermit designed to be used in various kinds of scenes.

Which one was the real one? "They're all the real one," Jim Henson said.

The Muppets made audiences roar on "The Jack Paar Show" and "The Ed Sullivan Show" by blowing each other up or, on some occasions, swallowing each other up.

They were furry, funny, stylized slapstickers. Then, when "Sesame Street" came along in 1969, they became something more. They developed soul. They had subtleties and complexities and inner selves. In Kermit's plaintive eyes, one can even sense a haunted angst. Despite the existence of the "Muppet Babies" cartoon series on CBS, Kermit really seems to be a character with no youth behind him and no dotage ahead.

"Kermit is the closest one to me," Mr. Henson said of his alter ego in 1977. "He's the easiest to talk with. He's the only one who can't be worked by anyone else — only by me. See, Kermit is just a piece of cloth with a mouthpiece in it. The character is literally my right hand."



Jim Henson with Kermit, "cloth with a mouthpiece in it."

A Virulent Pneumonia Caused Puppeteer's Death

By Natalie Angier

New York Times Service

NEW YORK — The bacterial infection that killed Jim Henson, the puppeteer who created the Muppets, was an especially aggressive type of pneumonia known as streptococcus pneumonia group A.

Dr. David Gelmont, director of the medical intensive care unit at New York Hospital, who treated Mr. Henson, said the pneumonia appeared to be a secondary infection that set in after a bout of flu.

Mr. Henson had consulted a doctor in North Carolina on Saturday, complaining of flu-like symptoms, Dr. Gelmont said, but that doctor found no evidence of lung infection and prescribed no treatment beyond aspirin.

Dr. Gelmont said the outcome of the infection, which he called "abrupt and potentially overwhelming," might have been different if Mr. Henson had been hospitalized eight hours earlier.

Mr. Henson arrived at the emergency room at 4:58 A.M. Tuesday, suffering from an inability to breathe and from abscesses throughout the lobes of his lungs.

He was immediately treated with high doses of six antibiotics, which destroyed most of the bacteria in his body. He was also placed on a mechanical breathing ventilator.

But Dr. Gelmont said that, despite the antibiotics, the infection had already overwhelmed Mr. Henson's body, leading to kidney failure, heart failure, inability of his blood to clot and shock.

Dr. Gelmont said the streptococcal bacteria that infected Mr. Henson was not the type seen in AIDS patients, and he said it was neither a rare nor a common infection.

For Sale: Maps to the Booty

U.S. Agency Touts \$16 Billion Trove of Thrift Holdings

By Nathaniel C. Nash

New York Times Service

WASHINGTON — Lining up real estate brokers and listing its properties on computer disks and special telephone lines, Resolution Trust Corp. is reaching out to anyone interested in buying the \$16 billion worth of property it has acquired by seizing insolvent savings and loan associations.

Resolution Trust, the federal agency created last year to manage the thrift cleanup, has a mandate to sell the troubled assets.

For \$100, the agency will provide a list of its more than 36,000 properties — single-family homes, vacation homes, undeveloped land and factory space — on a CD disk that can be used with a personal computer. For \$375, it will provide the information on floppy disks.

For a \$39.95 hookup fee, a \$16 monthly fee and 25 cents a minute, it will also offer telephone access to its computer, which lists the properties for sale, their prices and the

real estate agent handling the sale.

Resolution Trust hopes to make buying from the government as easy as walking into the local real estate broker and agreeing to a contract on the house down the street.

"The system is not very accessible or user friendly yet to the common man," said Joseph E. Robert, chairman of J. E. Robert Cos. in Alexandria, Virginia, which specializes in managing troubled real estate. "But ultimately there will be something for everybody in the RTC's bag of goodies."

The agency's marketing approach is to contract with local real estate agents who handle commercial and residential properties. The thrift bailout legislation signed by President George Bush in August required the government to use the private sector, both to draw on its expertise and to avoid the creation of a huge bureaucracy.

The services of the agency supplement its comprehensive four-volume list of properties published

in January. The next edition, which sells for \$50, is due out in June.

What seems to be stirring the most interest among the public is the program announced last week that will permit the government to cut prices by 15 percent on homes held by Resolution Trust for more than four months. After another three months, the price will be reduced another 5 percent.

Setting up the world's largest real estate company has not been a smooth process. Resolution Trust is flooded with hundreds of calls daily from investors seeking information.

Many calls go to the wrong department and the agency has provided this list of numbers:

Main operator: (202) 416-6900. Inquiries about assets for sale: (800) 431-0600.

Inquiries about savings and loan associations for sale: (800) 782-4033 or (202) 416-7496.

Other general information: (202) 416-7572.

Governor Assails Bush On Puerto Rico Status

By Martin Tolchin

New York Times Service

WASHINGTON — Governor Rafael Hernández Colón of Puerto Rico has accused President George Bush of applying "heavy-handed political pressure" to persuade Puerto Ricans to support statehood.

The governor, who supports continuation of the island's status as a U.S. commonwealth, said that the president was handling the proposed plebiscite on Puerto Rico's political future "the same way as President Gorbachev is handling the Baltic crisis."

"Both presidents claim they want the people to make a free choice, and then go out and tell the people what choice to make," Mr. Hernández Colón said in San Juan. He also commented on the issue in a letter Wednesday to Mr. Bush.

Legislation now pending in Congress would authorize a binding plebiscite in which Puerto Rican voters could choose among statehood, independence or continuation of the commonwealth status. Statehood supporters emphasize the representation in Congress and the rights and privileges of U.S. citizenship.

Proponents of independence contend that Puerto Rico should be self-governing. Commonwealth supporters say Puerto Ricans derive benefits from both their relationship with the United States and from their own culture.

Mr. Bush has been a longtime supporter of statehood. Mr. Hernández Colón supports the commonwealth option and with it a plan, under discussion by some in Congress, that would include modifications of federal laws and regulations aimed at encouraging the island's economic growth.

Mr. Hernández Colón also criticized two White House aides, Andrew H. Card Jr., the deputy chief of staff, and Chase Untermeyer, the White House personnel director who is also the Puerto Rico liaison, saying they spent most of their time on the island this week lobbying for statehood.

"The governor asked Mr. Bush to 'pull back; call off your troops.'"

"The people of Puerto Rico have the intelligence, the capability, the desire and the good common sense to make our own decision," he said.

The White House press office had no comment on the governor's attack. Mr. Card and Mr. Untermeyer were in Puerto Rico and unavailable for comment, their secretaries said.

A recent study by the Congressional Budget Office found that statehood could undermine the island's economy and could cost as many as 100,000 of its 900,000 jobs by the end of the decade.

Panama Official Says U.S. Should Return 5 Sites

Reuters

PANAMA CITY — Foreign Minister Julio Linares has demanded that the United States immediately return two military bases and three islands in Panama to Panamanian control.

Mr. Linares, speaking at a news conference Wednesday, denied a reported statement by a U.S. official that Panama had temporarily ceded control of some areas it was granted by the 1977 Panama Canal treaties with the United States.

Since the U.S. invasion in December, U.S. forces have controlled access to Fort Amador in Panama City, including a causeway to three islands. Under the treaties, certain areas of the fort reverted to Panamanian control in 1978.

A U.S. Southern Command spokesman was quoted in two local newspapers earlier this week as saying that Panama had "temporarily ceded" control of the islands as well as two installations on the Atlantic side of the canal, Fort Espino and Fort Gubick.

Mr. Linares said he had called the U.S. ambassador, Denise Hinton, on Wednesday to tell him the areas should be returned to Panamanian control.

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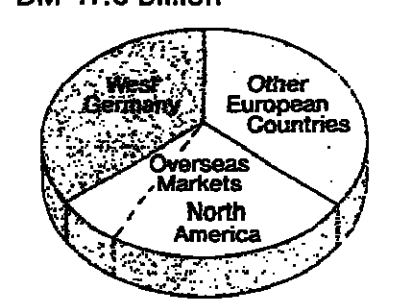
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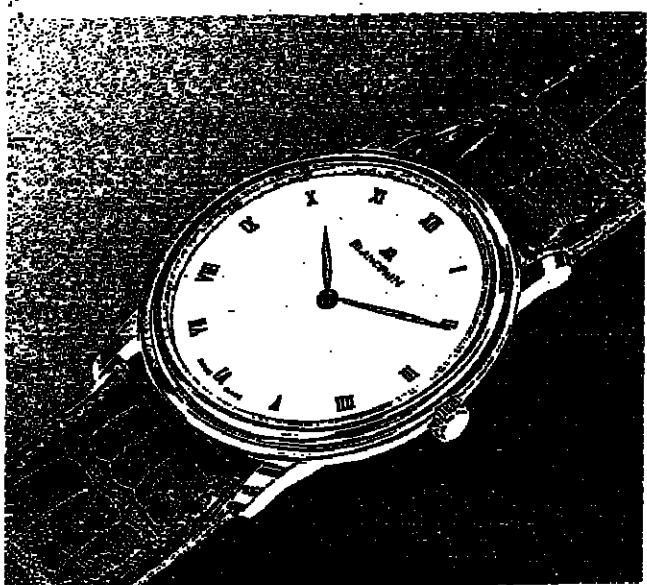
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China Bluntly Rejects Taiwan Opening

Compiled by Our Staff From Dispatches

BEIJING — China issued a blunt refusal Thursday to an offer from President Li Teng-hui of Taiwan to open the first governmental dialogue between the two countries in 40 years.

"Our principal position is very explicit," said a Foreign Ministry spokeswoman, Li Jinhua. "We have stated it on many, many occasions." Beijing considers Taiwan one of its provinces and wants it reunited with the mainland, she said.

But she said that relations between Beijing and Taipei did not fall under the Foreign Ministry, and so her comments did not carry official status.

President Li said Tuesday that Taipei was ready to open government-to-government dialogue with Beijing. It was the first time Taiwan had made such an offer.

Beijing says that it will only sanction negotiations between the Chinese Communist Party and Taiwan's governing Kuomintang under the "one country, two systems" framework, which would allow Taiwan to keep its capitalist system after reunification.

For years, Taiwan has held to a policy of no contact, no compromise and no negotiation with the mainland. Beginning in 1987, the Kuomintang began loosening a ban on contact with the mainland. But Beijing's harsh repression of pro-democracy protests last spring slowed moves toward reconciliation.

Some analysts now say momentum is again growing in Taiwan and China for political and economic reconciliation, and that agreements on trade may be announced soon.

Miss Li also asserted Thursday that President George Bush had interfered in Chinese affairs by criticizing Beijing while proclaiming May 13 Human Rights Day in the United States.

"We are extremely resentful of this and hereby express our strong protest," she said. "We have made representations to the U.S. side through diplomatic channels."

U.S. diplomats in Beijing said the protest was made to the White House.

"We have all along been opposed to interfering in China's domestic affairs, smearing and attacking the Chinese government by the U.S. Congress under the pretext of freedom and human rights," Miss Li added.

Mr. Bush, while signing a congressional proclamation Saturday, called on China to continue to lift "repressive measures" as a sign of its desire to change. The proclamation made May 13 a day to remember the people killed during the Chinese Army crackdown on the pro-democracy movement in Beijing on June 3-4.

Miss Li also said that China rejected as "completely unfounded and unreasonable" charges by Amnesty International, the London-based human rights group, that thousands of advocates of democracy arrested in last year's crackdown remain imprisoned,

many never having been accused.

Amnesty International raised the issue of those still imprisoned in a letter sent this week to Prime Minister Li Peng, in which the organization listed more than 650 Chinese it has identified as being held.

The human rights group said the list was the longest it had ever compiled on prisoners in China, saying many Chinese were arrested last year "solely for the peaceful exercise of their rights."

It also expressed concern about what it said were extensive secret executions of prisoners.

The group said it was not known where most of the prisoners were being held or whether they had been charged, tried or sentenced.

Miss Li said that the fate of those arrested was an internal matter. "The charges by that organization are completely unfounded and unreasonable," she said. "No other country or international organization has the right to interfere in something that is purely another country's domestic affairs."

Beijing announced last week that it had released 211 detainees. That was an apparent attempt to placate American critics of China's human-rights record who have been pressing for the withdrawal of China's most-favored-nation trade status. But hundreds of other detainees are still under investigation and subject to possible prosecution. (AFP, UPI, AP)

China Vows Retaliatory Tariff Rise Against U.S.

United Press International

BEIJING — China said Thursday that it would raise tariffs on American goods if the Washington revoked Beijing's preferred trading status to protest its resistance to political change.

Officials have said that exporters in China could expect as much as \$10 billion in losses if China's most-favored-nation status were revoked and that American exporters would also face huge losses.

An editorial Thursday in the government-run Economic Daily said Beijing would have no choice but to retaliate for a loss of U.S. trade benefits by imposing reciprocal taxes on American-made goods.

"American exports to China will be the first to be affected," the newspaper said. "After cutting off China's most-favored-nation status, tariffs on U.S. exports to China will be increased relatively, according to principles of equity."

The threatened move confirmed the fears of U.S. business leaders. The most-favored-nation status, which has been renewed annually for China since 1980, imposes the lowest available tariffs on a nation's exports to the United States.

The loss of this status for China would have far more serious consequences than any other sanctions that the United States has imposed, according to opponents and proponents of sanctions.

President George Bush must recommend before June 3 whether China should continue to receive the preferential tariffs. He indicated Wednesday that he was leaning toward renewing that status.

Arguments in Congress
Congressional debate on the tariff issue has grown heated in recent days. The Washington Post reported from Washington.

In testimony Wednesday before the House Foreign Affairs subcommittee on Asian and Pacific affairs, several speakers argued that revoking the status would weaken the most change-minded sectors of the Chinese government and economy and invite retaliation against American companies.

Others, like Holly Burkhalter of the Asia Watch human rights group, called for the conditional renewal. She proposed linking the trade status to progress on an amnesty for political prisoners, an end to beatings and torture, and the release of Fang Lizhi and Li Shuzhan, dissidents who have sought refuge in the U.S. Embassy in Beijing.

A U.K. Tack on 'Boat People'

U.S. Could Put Thousands on Guam, Foreign Office Says

Compiled by Our Staff From Dispatches

LONDON — Britain has suggested to the United States that it take thousands of Vietnamese refugees from Hong Kong and house them in a special camp, possibly on the American island of Guam in the Pacific.

The British proposal came on the eve of an international conference in Manila on the plight of the Vietnamese, known as "boat people."

As the conference opened Thursday, a group of Southeast Asian countries and Hong Kong said they could no longer bear the burden of providing shelter to the Vietnamese and that forced repatriation of those who did not qualify as political refugees should begin July 1.

The British proposal was outlined by a Foreign Office minister of state, Francis Maude, in a letter to the U.S. deputy secretary of state, Lawrence S. Eagleburger. Mr. Maude has special responsibility for Hong Kong.

Mr. Maude's letter proposed that the 9,000 Vietnamese who have been declared by British authorities to be economic migrants, rather than political refugees,

should be taken to a new camp, possibly on Guam.

The letter proposed that they be held there until the United States determined that conditions in Vietnam had improved sufficiently for them to be sent back there.

Sources at the Manila conference said the idea was brushed aside by the U.S. delegation.

Britain ultimately would like for the United States to take the bulk of the refugees, most of whom are expected eventually to be declared economic refugees.

At the Manila conference, the members of the Association of South East Asian Nations — Brunei, Thailand, Singapore, Indonesia, the Philippines and Malaysia — joined Hong Kong in saying that the burden of providing shelter to the refugees had become "intolerable" and could not continue.

They said that a joint international approach to the refugee issue had been undermined, and that Vietnam must take more effective measures to halt departures.

In a reference to the United States, which opposes forced repatriation, they said countries op-

posed to that solution should set up their own holding centers.

As of May 2, there were more than 125,000 Vietnamese refugees being sheltered in Southeast Asia: 54,000 in Hong Kong, 26,000 in the Philippines, 20,000 in Malaysia, 15,000 in Thailand and 11,000 in Indonesia.

A Philippine delegate, who asked not to be identified, said: "The Vietnamese keep coming and we don't have the resources to sustain this indefinitely."

"When an illegal alien comes to the Philippines usually we deport them," the delegate said. "In this case, we have to accept them. We've almost reached the limits of our patience on this issue."

Mammet Yan, head of a Philippine foreign affairs committee on Indochina refugees, said the Philippines would take 500 Vietnamese from Hong Kong by July 1 to help relieve camp competition in the crowded British colony.

But he indicated that the Philippines was delaying construction of a camp for 10,000 refugees on the main island of Luzon because of failure to obtain international funding. (AP, Reuters)



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Herald Tribune

Korean Students Clash With Police On 50 Campuses

The Associated Press

SEOUL — Students hurling rocks and firebombs fought the police in a dozen cities Thursday, the eve of the 10th anniversary of a bloody anti-government uprising. Meanwhile, thousands of workers at South Korea's leading car plant remained on strike for a third day.

The nation's entire police force of 130,000 was put on alert after a dissident coalition called for national protests to mark the anniversary of the rebellion in the southern city of Kwangju on May 18, 1980.

The uprising, crushed by troops and tanks, left at least 200 people dead and seared the psyche of South Koreans more than any incident since the Korean War.

People's Alliance, a national dissident group, announced Wednesday that it would organize protests in Seoul and 16 other cities this week. The alliance was a major force behind protests throughout the country last week, the largest and most violent since 1987.

The semi-official Munhwa Broadcasting Co. said about 20,000 students were involved in the protests Thursday on about 50 campuses. The police reported arrests and injuries, but gave no figures.

ASIAN TOPICS

Bougainville Rebels Claim Independence

Rebels in the Pacific island of Bougainville declared their independence on Thursday from Papua New Guinea, which itself became independent from Australia in 1975.

The government immediately rejected the move as unconstitutional and pressed preparations to blockade Bougainville. Telephone service had been cut earlier in the day; air, shipping and postal services had already been suspended.

But officials in Port Moresby, the capital of Papua New Guinea, said they had no plans to send troops back to the island. Troops were evacuated in March, leaving the rebels unopposed.

The declaration of independence as the Republic of Bougainville is part of a secessionist war that has claimed more than 80 lives in 18 months on the rugged, jungle-clad island. It also has ended production for the last year on the island's British-owned copper mine. The mine provided about a sixth of govern-

ment revenues and more than 40 percent of export earnings.

The rebel leader, Francis Ona, named himself interim president. The commander of the rebel army, Sam Kauona, was named defense minister.

Australia and New Zealand quickly announced their rejection of the independence declaration.

Around Asia

Australian tourists in the Philippines have begun wearing T-shirts stating "I am an Australian" in bold red ink, apparently to avoid being mistaken for Americans by the Communist guerrillas. Two U.S. airmen were shot dead Sunday at Angeles, near Clark Air Base, apparently by guerrillas.

Vietnamese exiles have urged Hanoi to let an international committee take over Cauze Peninsula at the southern tip of Vietnam and two small islands to resettle Vietnamese who have been denied the status of political refugees in Hong Kong and threatened with repatriation. A committee of exiles called for the creation of a "territorial concession ruled under international law." There was no comment from Hanoi, but it was not expected to embrace the idea.

Club Volvo, a Hong Kong nightclub known for its 1,000

hostesses, has agreed to change its name, a spokesman for the Volvo automobile company has announced in Stockholm. He said the company and club had reached a court settlement in Hong Kong after Volvo brought suit over the use of its name.

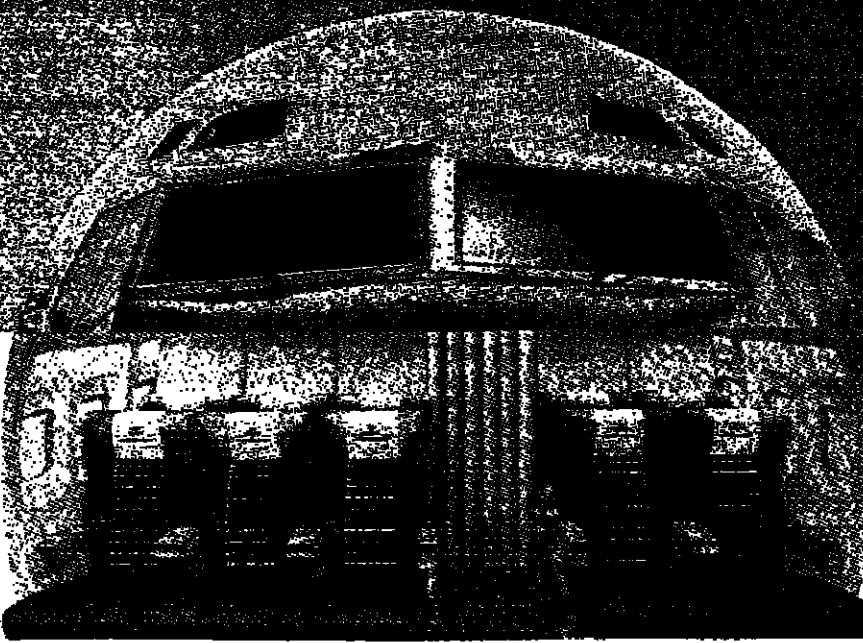
Hundreds of doves being trained for ceremonial peace flights over the Asian Games this August in Beijing were shot out of the sky by hunters who then sold or ate them, the official China Daily reported Thursday. More than 200 of the specially trained carrier pigeons were discovered dead recently in just one town outside the capital. The birds were identified by the Asian Games rings on their legs. Trainers have been working with more than 60,000 pigeons that will fly over a Beijing stadium in opening ceremonies.

Owls, shunned in Bangladesh as harbingers of misfortune, may soon enjoy more favor. A study by Professor Nurjahan Sarker of Dhaka University said a typical owl catches and eats at least two rats and many crop-eating insects every day. "Eventually," she said, "it may prove that the owls save more crops than pesticides, which many farmers cannot afford."

Arthur Higbee

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Fewer People on Couch, U.S. Psychiatrists Are Feeling Blue

By Daniel Goleman
New York Times Service

NEW YORK — Psychiatrists across the United States say they are seeing fewer patients and drawing less satisfaction from their work than ever before, amid growing competition from therapists and counselors.

Some are leaving the profession or moving to areas where the competition for patients is less fierce.

And the number of newcomers to the profession is dwindling.

"It's a dogfight out there," said Herbert Klein, publisher of *Psychotherapy*, a newsletter in Ridgewood, New Jersey, that tracks the mental-health field.

The signs are of a slump rather than a terminal condition, and the causes of the problem are clear:

- There are more nonpsychiatrist therapists than ever, and they are willing to offer many of the same services to patients for a fraction of what a psychiatrist would charge.
- Barriers of psychiatric privilege are under siege: Psychiatrists can no longer exclude other therapists from training in the most prestigious psychoanalytic institutes, and psychologists are battling for the rights to prescribe medication and to admit patients to psychiatric hospitals on their own, rather than under the supervision of psychiatrists.
- Aggressive companies that manage

mental-health payments for insurers are slicing reimbursements for psychiatric care, often by half or more. "For the first time, psychiatrists have to justify their very existence to those who pay their bills, to government, to other physicians," said Dr. Boris Rifkin, a psychiatrist at Yale and a member of the American Psychiatric Association's committee on private practice. "It's demoralizing."

- Insurance companies are now giving priority to short-term therapy focused on a single problem, rather than to long-term treatment, often lasting years, that was the bread-and-butter of many psychiatrists' practices.

- Compensation for psychiatrists remains relatively low.

The median salary of American psychiatrists for 1988, the last year for which figures are available, was \$97,000, below all other medical specialties except family practice and pediatrics. The median income for all physicians was \$128,000.

From 1981 to 1988, psychiatrists' salaries lost ground to all other medical specialties except family practice and radiology.

The main battle is between psychiatrists, who have medical degrees, and psychologists, social workers and other counselors who have other kinds of degrees.

All these disciplines practice psycho-

therapy, or "talking cures" for emotional problems, although only psychiatrists can prescribe drugs.

Psychoanalysis, the method of treatment developed by Freud and stressing the role of childhood conflicts, is one psychotherapy that is having particular

'You have to see more patients for less time, rather than having deeper, longer relationships with fewer patients.'

Seymour Gers,
A New York psychiatrist

difficulty in the new economic climate, largely because psychoanalysis requires frequent visits for many years.

"You have to see more patients for less time, rather than having deeper, longer relationships with fewer patients," said Seymour Gers, a psychiatrist in New York.

Psychiatry is attracting far fewer medical residents than it did in years past. "Our peak year was 1969," said Dr. Melvin Sabshin, medical director of the American Psychiatric Association. Numbers "dropped steadily until a few

years ago," when they began to rise again, he said, but "it's down a bit this year, which worries us."

In the long term, the prognosis for psychiatry is good, he said.

There is increasingly strong evidence that maladies such as schizophrenia, obsessive-compulsive disorder and many forms of depression are largely biological, and that psychiatric medications are more effective than ever before in treating them, he said.

The budgets for psychiatric research have increased considerably over the last few years, to their highest levels ever, he said. "That should pay off in the years to come with new medications and other treatments."

But although there are optimistic signs, he added, "there's no question that the new economics creates a problem."

In extreme cases, psychiatrists are resorting to questionable or unethical practices to generate income in hard times.

"There was a woman in her 11th year of psychotherapy whose main problem was loneliness," said Nicholas Cummings, a psychologist and chairman of American Biodyne in San Francisco, a company that manages mental health costs for insurers.

The doctor charged \$175 a session, Mr. Cummings said, but the patient said "that for the last seven or eight years she and her psychiatrist had not talked about anything serious — just what each of them had done that week."

In another case, reviewed by a prominent Los Angeles psychiatrist for an insurance company, a psychiatrist admitted a young woman with symptoms of "borderline" personality to a psychiatric hospital, where he kept her in treatment for two years.

As long as she remained in the hospital, the psychiatrist could get \$1,000 a week from her insurance company by seeing her every day in the hospital. If he treated her in his office, though, he could collect for just one visit a week, at \$125.

Whenever she started to get better, the psychiatrist gave her a drug that induces a trance-like state.

Many psychiatrists see these new cases as evidence of a trend among colleagues driven to questionable practices purely because of the new financial squeeze.

"The attitude out there is that if you find a patient with good coverage, you go after him," said Dr. Spencer Eth, a psychiatrist at the University of California at Los Angeles. "There's no question some patients are being exploited."

Psychiatrists are fighting off psychologists, who want the right to prescribe medications.

In a crucial experiment, the Department of Defense plans to train a group of psychologists to prescribe medication. While the pilot program is under medical supervision, if it is successful, psychologists would seek changes in regulations that would allow them to prescribe on their own.

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Budget Talks' Next Step: Finding Deficit's Whys

Compiled by Our Staff From Dispatches

WASHINGTON — President George Bush and congressional Democrats continued their talks Thursday on reducing the U.S. deficit, still separated by agreement on the size of the problem.

The proceedings moved from the White House to Capitol Hill, with the House Democratic leader, Richard A. Gephardt of Missouri, presiding. Mr. Bush led the first day of talks on Tuesday.

Mr. Gephardt said Wednesday that the bipartisan negotiating team in Congress would hear from the administration's Office of Management and Budget and from the Congressional Budget Office on the nature of the deficit.

Democrats who took part in the talks renewed their call for Mr. Bush to rally Americans behind a bipartisan effort to cut the deficit and persuade them of the need for sacrifices, presumably new taxes. Mr. Bush rejected the idea.

The sharply divergent stands followed forecasts that the budget talks would be hampered by political point-scoring.

"There's no question each of the parties to the negotiation is very concerned about absorbing political blame," said Thomas Mann, director of governmental studies at

the Brookings Institution. "Each goes to great lengths to show they have no desire to do the unpopular things they all know will have to be done in the end."

Mr. Bush seemed to accept the tactics, saying: "After some initial posturing around, we'll make some headway."

He hinted that an important element of any agreement should be an easing of the Gramm-Rudman-Hollings balanced budget law, which requires that the deficit fall below \$64 billion next year. Mr. Bush's budget director, Richard G. Darman, has estimated that the deficit could reach \$200 billion in the fiscal year beginning Oct. 1. If so, \$136 billion would be needed in spending cuts or new revenue.

Many economists say that cutting the deficit to \$64 billion would force a recession. But if Congress fails to reduce the deficit, the law will require automatic, across-the-board cuts in nonexempt military and domestic programs.

Asked whether it would be a good idea to change the deficit targets, Mr. Bush replied, "That might be part of it because this problem is pretty big."

But he added that he did not have a position on the target "because I've said there are no preconditions." (UPI, L47)

100% Pay Raises End 3-Day Nicaragua Strike

Compiled by Our Staff From Dispatches

MANAGUA — Nicaraguan state workers have agreed to end a three-day strike that had paralyzed the country's financial system and most government activity in return for salary increases of 100 percent and a temporary halt to dismissals.

It was the country's most disruptive strike in 11 years.

The new government of Violeta Barrios de Chamorro also promised cost-of-living raises for public employees and to study increases for low-paid health workers and teachers. The strike was the first major confrontation between the Chamorro government and unions affiliated with the Sandinista National Liberation Front, which lost power in elections in February.

The president of the Central Bank, Francisco Mayorga, said the

work stoppage was costing the country \$3 million a day in lost production. Strikers shut down the country's state-run banking system, halted most public transportation and took over the international airport, stopping all flights. Nearly all telephone communications were cut off for almost 24 hours, until unions agreed to renew it late Wednesday.

The agreement, reached Wednesday evening, set a precedent for indexing wages to inflation. It will double this month's paychecks for public employees and raise their June wages by the same percentage that 53 basic consumer items go up in price during the last 24 days of May.

More important, it gives the unions the right to help make rules for applying a civil service law that Mrs. Chamorro suspended last week and wanted to modify unilaterally. The unions' role could limit her authority to dismiss Sandinista holdovers from senior posts.

Both sides hailed the accord as a landmark settlement of a bitter labor dispute — Mrs. Chamorro's first major political challenge since the April 25 inauguration of her center-right government ended a decade of Sandinista rule.

"Starting tomorrow, Nicaragua begins to construct a democracy, leaving behind an era of confrontation," said Mr. Mayorga, who represented the government in negotiations.

The government gave ground to the powerful Sandinista unions on nearly every point of the accord. Workers won an additional 25 percent wage increase on top of the 60 percent offered by the government — a compounded raise of 100 percent, half what they demanded.

"We didn't get everything we wanted, but we set a precedent that, from now on, nothing can be done to the economy without the active participation of the workers," said Ludo Jimenez, the chief labor negotiator. "This is the essence of the democracy we've learned in 10 years of revolution."

Beleaguered by the strike, Mrs. Chamorro had sent her labor minister and other top aides to restart the talks after public employees defied a back-to-work order Tuesday by shutting down the international airport and the telephone system. (UPI, L47)

Quake Jolts Eastern Japan

Agence France-Presse

TOKYO — A strong earthquake measuring 5.7 on the Richter scale jolted eastern Japan Thursday. There were no reports of damage.

Bush Proposes Harsh U.S. Law On Drug Crime

New York Times Service

WASHINGTON — The Bush administration has proposed legislation to carry out some of its most hotly disputed drug control proposals.

The measure would expand the list of drug crimes punishable by death and it would streamline the procedure for deporting aliens convicted of drug crimes.

Civil liberties groups were quick to criticize parts of the bill, particularly the provision that could hasten the deportation of thousands of legal aliens. It would nullify their rights to an administrative hearing before deportation.

"This seems to be yet another example of the Bush administration's alien-bashing," said Antonio Califa, legislative counsel at the American Civil Liberties Union. "In many of these cases, the punishment of deportation might not fit the crime and these people could be deported without a full hearing."

Under current federal law, a person can be sentenced to death for committing a murder involving narcotics trafficking.

The new legislation would permit the execution of major drug dealers even if their criminal activities did not include murder.

THE U.S. & EUROPE: CONFLICT, COOPERATION OR CRISIS?

INTERNATIONAL HERALD TRIBUNE

EUROPEAN COUNCIL OF AMERICAN CHAMBERS OF COMMERCE

PARIS, JUNE 13 - 15, 1990

JUNE 13

20.00 DINNER
Guest Speaker: **Michel Rocard**, Prime Minister of France

JUNE 14

09.00 CHAIRMEN'S OPENING REMARKS
John F. Crawford, President, European Council of American Chambers of Commerce
Lee W. Huebner, Publisher, International Herald Tribune

09.15 U.S. KEYNOTE ADDRESS
Roger Porter, Special Assistant to the President for Economic & Domestic Affairs, Washington DC

10.00 U.S.-EUROPEAN TRADE RELATIONS: THE OPPORTUNITY FOR EXPANSION
Edith Cresson, Minister of European Affairs, France
Ambassador Thomas M. Niles, U.S. Representative to the EC

11.00 Coffee

11.30 THE U.S. AND EUROPE: AN INDUSTRY RESPONSE
Percy Barnevik, President & Chief Executive Officer, Asea Brown Boveri Ltd
Henri Martre, Chairman & Chief Executive Officer, Aerospatiale
David E. McKinney, Chief Executive Officer, IBM World Trade Europe/Middle East/Africa Corporation

13.00 Lunch
EUROPEAN SECURITY AND DEFENSE
Jacques Chaban-Delmas, Mayor of Bordeaux, Former Prime Minister, France

15.00 EUROPEAN ECONOMIC AND MONETARY UNION
Jacques de Larosière, Governor, Banque de France
The Rt Hon Sir Michael Palliser, Chairman, Samuel Montagu & Co Ltd
Mario Conde, Chairman, Banco Espanol de Credito

16.45 TRADE AND INVESTMENT FLOWS: WHERE ARE THEY GOING?
Robert D. Hormats, Vice Chairman, Goldman, Sachs Int'l
H. Onno Ruding, Former Finance Minister, The Netherlands

18.00 Cocktails

JUNE 15

09.00 THE U.S., EASTERN EUROPE AND THE SINGLE MARKET
Vaclav Klaus, Minister of Finance, Czechoslovakia
Hans Tietmeyer, Member of the Board, Deutsche Bundesbank
George Soros, President, Soros Fund Management
Otto Wolff von Amerongen, Chairman, Deutsche Industrie und Handelstag

11.00 Coffee

11.30 STRATEGIES FOR THE NEW SOCIAL EUROPE
Gavin H. Laird, General Secretary, Amalgamated Engineering Union, UK
Vasso Papandreou, Commissioner for Industrial Relations and Social Affairs, EC
François Perigot, President, Conseil National du Patronat Français

12.45 Lunch

EC-U.S. 1992: THE WAY AHEAD
The Rt Hon Sir Geoffrey Howe, MP, Deputy Prime Minister, UK
14.45 THE OUTLOOK FOR TRADE RELATIONS AND INDUSTRIAL COOPERATION
Renato Ruggiero, Minister for Foreign Trade, Italy

15.15 THE OUTLOOK FOR INDUSTRIAL COOPERATION: A CORPORATE PERSPECTIVE
Vittorio Cassoni, Group Managing Director, Ing C. Olivetti SpA
Chief Executive Officer, Major U.S. Corporation

16.15 A JAPANESE VIEW OF U.S.-EUROPEAN RELATIONS
Hisashi Owada, Deputy Minister for Foreign Affairs, Japan

16.45 VALEDICTORY REMARKS
The Rt Hon Dr David Owen, MP, Leader, SDP, UK

17.15 Close of Conference

Moderators:
Harry L. Freeman, President, The Freeman Company, Washington DC

Axel Krause, Corporate Editor, International Herald Tribune
Charles McC. Mathias Jr., Former U.S. Senator
William Pfaff, Author and International Herald Tribune Syndicated Columnist

Ambassador Edward Streater, President, American Chamber of Commerce (UK)

The conference has been organized with the participation of the Dwight D. Eisenhower Centennial Foundation.

REGISTRATION INFORMATION: The fee for the conference is US\$1,200.00. This includes the opening dinner, all lunches, cocktails and conference documentation. Fees are payable in advance and will be returned less a US\$ 100.00 administration charge for any cancellation received in writing on or before May 30. We regret that there can be no refund should you cancel after May 30. Substitutions can be made at any time. Simultaneous English/French French/English translation will be available throughout the conference.

CONFERENCE LOCATION: The conference will be held at the Hotel Inter-Continental, 3 rue de Castiglione, 75001 Paris, France.

HOTEL ACCOMMODATION: A limited number of rooms are available at preferential rates at Le Grand Hotel, 2 Rue Scribe, 75009 Paris, France. Please contact Martine Tournier on: (33 1) 40 07 32 32 or fax: (33 1) 42 68 12 51.

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No More Lockerbies

It is the question that has haunted families and friends of the victims ever since that terrible December day in 1988 when Pan Am Flight 103 exploded over the village of Lockerbie, Scotland. What could have, or should have, been done to prevent this terrorist bombing? In response to their organized, persistent pleas for detailed answers, President George Bush finally formed a special commission in August 1989 to investigate and submit a report. That report is now in. It is no brush-off. Its conclusions are many and strong — and beg for high-level attention, although not, we think, total ratification.

The seven-member commission, headed by former Labor Secretary Ann Dore McLaughlin, placed much of the blame for the tragedy on what it termed a "seriously flawed" aviation security system that began with inept, confused Pan Am security in Frankfurt and London and was aggravated by a failure of the Federal Aviation Administration to enforce its own safety rules.

In addition, the members recommended that threats to civil aviation be made public if they are deemed credible. This is a big issue with relatives and friends of the 259 people on the plane and 11 on the ground who were killed.

Even before the commission was named, Transportation Secretary Samuel K. Skinner had moved to set out new rules aimed at improving airline responses to threats of terrorism. More than a year ago, Mr. Skinner said that while he was sympathetic to the concerns of survivors about failure to warn the public of danger, the preponderance of expert opinion on this score is against automatic, wide-open disclosure. As he argued, the effect of publicizing every threat would

be to make it more difficult to investigate leads into possible terrorist acts. It might also increase the number of threats by pranksters as well as global terrorists.

The most devastating findings in the report deal with security procedures. The commission's conclusion that the system was "seriously flawed" is not disputed by FAA Administrator James B. Busey. Mr. Busey, who joined the FAA after the Pan Am bombing, acknowledges that "mistakes were made" and that still more recommendations will come from this Pan Am, for its part, has been more defensive, noting that much has been changed since the bombing. The commission's blunt conclusion is that for many months before and after the crash, Pan Am failed to follow written federal security guidelines, employed poorly trained security people, and by and large conducted a lax security operation in Frankfurt and London.

Understandably, the commission's recommendation generating the strongest initial reaction is one calling for "preemptive or retaliatory military strikes against terrorist enclaves in nations that harbor them." This, as a number of people quickly and rightly pointed out, is easier said than done, quite aside from the political, foreign policy and moral questions that such actions raise. To dispute this particular kind of recommendation is not to dismiss the frustration and rage that people reasonably feel about outrages like the Lockerbie bombing. In the main, vigilance, strengthened by every available tool, is the chief deterrent. No set of procedures can guarantee safety aloft, but thorough, sophisticated and tightly administered programs can minimize the dangers.

—THE WASHINGTON POST.

High-Tech Exports

Computers are going to be essential to the job of drawing Eastern Europe into the worldwide networks of commerce and communications. The East Europeans are going to need them to set out many other things: air transport, telephones and banks that meet Western standards. But selling big American computers to these recently Communist countries is restricted and often prohibited by the law that controls exports of high technology.

That law expires in September. It needs to be extended, but it also needs to be drastically narrowed and reformed.

The executive branch has been divided for years between the defense and security agencies on one side and the export promotion agencies on the other. The Bush administration has produced a compromise proposal that represents an improvement but — in one of the more glaring anomalies of these rules — would still leave much tighter restrictions on sales to Hungary and Poland than to China. The House Foreign Affairs Committee, with strong bipartisan support, has reported a bill that responds much more effectively to the current changes in the world.

Those changes involve more than the Warsaw Pact countries. The export control law covers sales of advanced equipment to America's allies as well as to its adversaries.

An American exporter needs to get a license — not always a quick or simple process — to ship certain kinds of equipment to a customer in, say, France. That is turning into a serious competitive handicap. American exporters report that West European customers are beginning to avoid buying advanced technology from the United States because they don't want to risk being caught in the internal quarrels that frequently complicate and prolong the licensing process in Washington.

There is good reason to continue to keep certain technologies out of the hands of the Soviet Union, China and their friends. But the United States cannot do it alone. Most of these technologies are also available from the other industrial democracies. So far they have worked together to control exports through a jointly agreed list. But most of the West Europeans consider that list to have become excessive and obsolete — and they are right. If the United States does not recognize new realities, and if it allows the present controls to become a barrier to helping Eastern Europe, the cooperative agreements are going to collapse. The House bill would prevent that. It is likely to come to the floor within a week or so, and it deserves support.

—THE NEW YORK TIMES.

The Star Glows On

A middle-aged man, upon hearing recently that Sammy Davis Jr. was near death, remarked, "I can't imagine a world without Sammy Davis in it." Many other Americans, even if they were no particular fans of the entertainer, probably felt the same way, and for humane as well as theatrical reasons. Sammy Davis was a national celebrity for the four decades before his death on Wednesday. His marriages, friendships, politics, religion — all have been fodder for gossip columnists and magazines. He lent his name to a golf tournament. He was a faithful presence at charity dinners and

telethons. He was, in short, a star, a durable fixture in the firmament of American life.

But there was more than endurance. Sammy Davis Jr. was a tiny atomic bomb of a man who worked so hard and expended so much energy onstage that he left audiences awestruck. It was typical of him: He worked overtime to overcome racial discrimination, to recover from an auto accident in which he lost an eye, to reach the top in a business in which, to begin with, he was a black man. He was not supposed to be. He was an incandescent figure, and the glow survives.

—THE NEW YORK TIMES.

All on Sesame Street

Sunny day, sweeping the clouds away, on my way to where the air is sweet... For an entire generation, kids, parents and grandparents have been meeting each other on "Sesame Street." Jim Henson, who died on Wednesday at the age of 53, was the man who made "Sesame Street" such a friendly, fuzzy place to be. Out of his seemingly unfettered imagination he created a sophisticated world of Muppet characters that touched adults as much as they did children.

Full-grown executives do uninhibited imitations of the Cookie Monster. One writer confesses she fell in love with a man who wore much-revealed Big Bird. A woman with the surname of Grover keeps a

floppy, spindly-limbed, hairy blue likeness of the eponymous Muppet on her desk.

For 21 years, Mr. Henson's hidden hands guided the Count's manicured arithmetic, Oscar the Grouch through a week's worth of refuse and Bert and Ernie out of constant scrapes. As the gentle voice and soul of Kermit the Frog, Mr. Henson made everyone see that although Miss Piggy may have appeared to others as, well, simply a pig, she was, in his heroic, princely eyes, the loveliest creature alive. "Sesame Street" is still with us and so is Jim Henson's world. It's a world made sweet with the knowledge that you never outgrow it.

—THE NEW YORK TIMES.

Other Comment

The Ghost of Stalin Returns

The Soviet parliament has given its approval to an ambiguous law making it a crime to "insult" President Mikhail Gorbachev. The measure recalls the infamous Stalin-era penal code, with its stiff prison terms for anyone convicted of "slandering" the state. That law, like others used to legitimize the Communist Party's ruthless suppression of dissent, was discarded after Mr. Gorbachev took power and began to encourage

freer speech. Now comes a clear signal that there may be such a thing as too much free speech. It is a painful setback and an ominous hint of what the future may hold. What constitutes an insult or slander, as distinct from acceptable criticism? The law seems deliberately vague. Apparently an "insult" will be what authorities say it is. There is an echo of Stalinism in all this that dissidents can only find chilling. That, no doubt, is exactly what proponents of the law intend.

—Los Angeles Times.

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OPINION

Redo the European Puzzle Around NATO

By Pierre Lellouche

PARIS — Six months after the fall of the Berlin Wall, the elements of the old world lie in disarray on the European table, like the pieces of a gigantic jigsaw puzzle.

There are NATO and what is left of the Warsaw Pact. There are the European Community and the remains of COMECON. There is arms control with its various tables: Geneva for START, Vienna for conventional forces and weapons. There is the 35-state Conference on Security and Cooperation in Europe, due to reconvene with a major summit meeting in the fall. And there is now the "two plus four" forum to work out the "international aspects" of German unification.

The common denominator is the redrawing of the European geopolitical map after the Revolu-

Europe needs to consolidate the stable elements in its Western part.

tion of 1989. Will we still have a West European component structured around NATO and the EC, with Germany strongly anchored in it? Or will we jump directly to a new "pan-European security system" based on the CSCE? The NATO versus CSCE debate is by no means an academic one.

Will Germany remain an active member of the Community and NATO, and will it still accept allied forces and nuclear weapons on its soil? Or will it choose some other route once it regains its full sovereignty? Germany holds a veto on the future existence of both the EC and NATO. This is a new and major strategic reality.

With the disintegration of the Warsaw Pact and the drastic reduction of Soviet armed forces, the specter of a massive Soviet attack that underpinned NATO's existence for 41 years is gone. When the Soviets go, will the Americans stay in Germany?

Not surprisingly, many Germans resent the idea and dream of a country free of all foreign forces and nuclear weapons. Similarly, the post-alienation system — "common European house," "confederation" or "pan-European security order" — is attractive to most East Europeans and to many smaller West European countries. Hence the increasingly popular idea of institutionalizing the CSCE process into an all-European organization, a kind of United Nations of Europe that might even be entrusted with settling regional disputes among member states.

The other option is to keep NATO intact until the East European countries have successfully completed their democratic transition — and until the U.S.S.R. has completed its own internal revolution. This is the preferred solution of most Western governments, including that of Helmut Kohl.

The United States is trying to stay in Europe and keep the Germans in NATO, but the Bush administration realizes that it cannot be the NATO of the past. Given the collapse of the Warsaw Pact and the

growing pressures to reduce military spending, cash in the "peace dividend" and use it for social needs, the White House and Congress already plan for a major reduction of the U.S. military presence.

The plan for new tactical-range nuclear missiles has been overtaken by events. It is likely that NATO will soon announce the abandonment of the whole short-range nuclear weapons from Europe.

The United States worries that it may lose its influence in Europe, to the benefit of a strengthened EC. Hence Secretary of State James Baker's search for some kind of "politicization of NATO" that would leave the United States with an institutional anchor in European affairs.

The British and the French are little help. Margaret Thatcher tried desperately to resist the tidal wave of change — and ended up cutting Britain off from the big game. François Mitterrand's blunders in managing the German unification issue have depleted the capital of trust built up between France and Germany during four decades.

Mr. Mitterrand initially hoped that Mikhail Gorbachev would block German unity. He then thought that Mr. Kohl would be defeated in the East German elections. While wanting U.S. troops to stay in Germany, he opposed any change in NATO. Now he is trying to repair the damage by promising — with Mr. Kohl — political and even military union within the EC by 1993. He continues to promote his "confederation" idea with the Soviets and Eastern Europe. How his ideas for the Community, NATO and "confederation" fit together is less than clear.

The Soviets are equally confused. They clearly underestimated the consequences of the "perestroika" they originally encouraged in Eastern Europe. The incredibly rapid collapse of their empire faces them with a strategic reversal. A year ago they were the dominant and threatening military superpower in Europe. Today they are isolated, they have lost their allies. Everywhere in Eastern Europe their army is being asked to leave — quickly.

The spread of their military power in Europe, 20 crack divisions and 380,000 men in East Germany, will vanish — along with East Germany — in a matter of months, or three or four years at most.

All this explains the sudden stiffening of Soviet diplomacy vis-à-vis Lithuania and Germany, and the recent stalemate at all arms control tables. The Soviets are asking themselves — one big question: What to do about the future Germany?

Mr. Gorbachev understands that a Germany with U.S. troops in it is less threatening to Soviet interests in the long run than a supposedly "neutral" and temporarily demilitarized Germany. With the third economy in the world and 80 million people, Germany is simply too big to remain neutral and defenseless for long. The trouble is that Mr. Gorbachev, too, has domestic political problems. He can hardly be expected to tell his people that he will now hand Germany over to the Americans. Hence the strong possibility that in the next few months, as German economic and political union reaches the end of its process, the Soviets will tell the Germans: "We're ready to leave when your friends leave, too."

By July 1 the two Germanys will have the same currency. By year's end they will be one, economically. A year from now the new Länder of the former East Germany will belong to the West German federation. Germany will be one again, ready for its first real general election since the 1930s.

At that point, we will have a bizarre co-presence of Soviet and NATO forces on German soil — with the new German government being asked to pay for both! How long that Kafkaesque situation will be expected to last is anybody's guess. But clearly the question will be asked by the Germans: Stay in NATO and keep America in, or ask everybody out?

The second option will be the more tempting. Some Germans call it the "French model" — stay in a political alliance but move out of the military structures. France is tempting also — and here we come back to the CSCE option — because this could be rationalized as a step toward a pan-European "order of peace" transcending both alliances.

The trouble is that Europe is not quite ready for total peace and stability. The coming 10 to 15 years are bound to be years of great instability as Eastern Europe rebuilds democracy and liberal economies, and as the Soviet federation undergoes its own political, social and ethnic revolution. An unstable U.S.S.R., which will still be (even after dismemberment) the dominant military power in Europe, will remain a dangerous neighbor.

Europe as a whole needs to preserve and consolidate the stable elements in its Western part, namely NATO and the EC, while this transition takes place in its Eastern part. The CSCE can also be consolidated, even given some dispute-settlement functions as a means to include Eastern Europe and avoid isolating the Soviet Union in this process of change.

The hope must be that NATO survives the current confusion, and that the Germans will understand the crucial need to keep a common basis of security among Europeans as the key to further progress in European unity.

Far from being alternatives to each other, a new, rebalanced NATO and a developing CSCE are the essential elements, alongside a strengthened EC, for managing the transition from the Cold War to, one hopes, a new era of peace — with, this time around, freedom and prosperity for everyone. Meanwhile, the wise and reasonable course is not to throw away our security system while we still need it.

The writer is diplomatic adviser to Jacques Chirac and a professor at the Institut d'Etudes Politiques de Paris. He contributed this comment to the International Herald Tribune.

Anti-Anti-Semitism: A Winner Awaiting a Lead

By Gene Siskel

CANNES — I came to the Cannes Film Festival this year for the first time, expecting to encounter sun-kissed beaches, tacky businessmen and passionate political arguments about new films. I quickly found all that and more.

Within 48 hours it was clear that the big story at Cannes was the same story that was making headlines 150 miles away at a desecrated Jewish cemetery in Carpentras.

Three of the first four films I saw — from the United States, Poland, and the Soviet Union — commented directly on anti-Semitism.

As a Jew I feel personally threatened by the attack at Carpentras. As a film critic I am comforted that major artists on my beat have been present enough to confront the ugliness head-on. Who will now add flesh to these shadow spokesmen?

In covering the grave-site attack, the newspaper Liberation splashes the headline "Outrage" across its front page as festival audiences cheer Clint Eastwood, in his latest film, berating a female anti-Semite as "the ugliest bitch I ever met."

A front-page editorial cartoon in Le Figaro lashes out at right-wing revisionist theories about the Holocaust as a well-meaning film about a martyred Polish doctor who accompanied Jewish children to their death at Treblinka is knocked for not being tough enough on Polish anti-Semites.

Eighty thousand people mass in the streets of Paris to protest the Carpentras horror as festival critics debate the merits of a French-Russian co-production about the ill-fated friendship between a Jewish artist and a Russian writer.

In all three films a central character's Jewishness is introduced not through religious observance but through anti-Semitism. And

Anti-Semitic words are being tolerated again in public discourse. Is it any wonder that anti-Semitic deeds follow?

each, even though he has a profession, thus becomes a Jew more than anything else.

In Eastwood's "White Hunter, Black Heart," a Hollywood screenwriter declares himself a Jew after an unknown dinner companion makes anti-Semitic remarks.

In Andrzej Wajda's "Korczak," based on a true story of Warsaw ghetto heroism, a celebrated doctor and educator nurtures Jewish children he knows are doomed.

In Pavel Lungin's "Tad Blues,"

set in Russia, among the first dialogue is an old man's tirade against what he believes is an international Zionist conspiracy. In that context we encounter one of the film's co-stars, a concert-level jazz saxophonist who is Jewish.

There is a long tradition in the movies that supporting parts often are ethnic stereotypes; a minor player's identity necessarily must be established quickly. But in these new films at Cannes, Jews have the major roles. A Jew may be a writer, a musician, or a doctor in his own mind, these films are saying, but to the rest of the world he always will be a Jew first and foremost.

This notion conforms with events in my own life in the last few weeks. In March, I spoke on behalf of an American newspaper to a group of movie advertisers. Beforehand a non-Jewish colleague chuckles as he tells me that the nickname for a pig and a third size ad is a "Jewish double." I tell him I am not amused.

At Disney World I am offended when in the course of presenting the "Raiders of the Lost Ark" stunt show, an emcee jocularly tells prospective participants that they will "make good Nazis." Would he say the same about prospective rapists?

At a Cannes press conference an American casually refers to World War II Japanese-American intern-

ment camps as "concentration camps." No one corrects him.

Words sting. And anti-Semitic words are being tolerated again in public discourse. The French phrase for this banalization, "l'antisémitisme banalisé," I'm hearing anti-Semitic words and phrases I haven't heard in years," says a French film executive at Cannes. "And yet no one says anything in response." Is it any wonder that anti-Semitic deeds have followed?

It is said that successful movies represent the unarticulated dreams of the masses. If politicians want to test the wind before speaking out, please note that the scores of thousands who declared themselves in Paris reflected a festival audience that applauded warmly when Eastwood told off the anti-Semite.

A French CBS television cameraman covering the festival tells me he is humiliated by the tragedy at Carpentras. "I've never protested anything in my life," he says, "but I wish I could have been in Paris that night. It's up to my generation to prove that we are different from our parents."

So know this from Cannes '90: The dream of a tolerant society is waiting for a leader to take up its cudgel. Won't someone other than a movie star please take the role?

The writer is an American newspaper and television film critic. He contributed this comment to the International Herald Tribune.

Americans, Too, Should Have an Industrial Policy

By William Pfaff

LOS ANGELES — Americans are accustomed to think themselves an unideological people, solving problems by common sense and experience rather than by doctrine. This, though, is not true; certainly it is not true about the way the United States runs its economy. The current debate over industrial policy — state support and direction for industrial research — shows the United States in the grip of ideology, and jeopardizing its future as a result.

The national ideology was expressed in the Bush administration's recent rejection of the attempt by the Defense Department Advanced Research Projects Agency to lead research on high-definition television, and it is articulated in the president's economic report for 1990. That document says that "over the past 40 years the world has learned that excessive government involvement in the economy leads to unsound decisions... slows growth and costs jobs."

That statement confuses state socialism and the command economy with industrial policy. At the moment when Japan is pulling ahead of the United States in computer technology (having long since passed it in computer manufacture and sales), it is already ahead in high-definition television technology, and is preparing to challenge the United States in aerospace — virtually the only high-technology area where America still is ahead of Japan — it is absurd to talk about industrial policy as something producing job losses and unsound decisions.

The administration declares that industrial policy does not work, at the same time that it contests the government subsidies and direction that produced the European Airbus program — which has broken America's monopoly in the commercial aircraft market. It complains about the European Community's sponsorship of commercially valuable research in a score of other high technologies. If state-sponsored research and develop-

ment really produced "unsound decisions," one would think the United States should be glad to see its competitors on the wrong course.

In fact, the last 40 years have not shown Japan, France and West Germany making bad decisions and suffering slow growth and job losses. Quite the contrary. The last 40 years have shown these countries — and others following the same policies — coming from far behind to become the most formidable present-day competitors of the United States.

Obviously, public-sponsored research has also produced failures and waste. The current Japanese attempt to develop a fifth-generation computer has not succeeded in terms of the assumptions made when the work began. The Japanese now are redirecting their efforts along new lines of research. The French-British supersonic airliner, the Concorde, was a commercial failure, but the Airbus is a success, in part because of earlier failures. Now France and Britain say they plan a second-generation supersonic transport aircraft profiting from what they have learned from Concorde's undoubted technological success.

Japan would not pose the commercial challenge it does today if it ran its affairs the way Mr. Bush would have the United States do. Postwar Western Europe would never have recovered a leading scientific and technological position had its governments not sponsored projects with capital requirements beyond the resources of individual companies, or involving payoff time periods unsustainable by commercial enterprises.

One may object to industrial policy on theoretical grounds. An economist may argue that the international economy tends toward an efficient division of labor, assigning to countries what it is best able to do. In theory, it makes no difference who does what, so long as international efficiency is max-

imized. Nations then exchange their products to maximum overall benefit.

The theory is indifferent to national policy. It is indifferent to the relative efficiency were to relegate the United States to a role of low-income raw materials producer, and supplier of the cheap services that can be performed by a quasi-illiterate work force, that the theorist would say, is tough for Americans, but good for international efficiency.

Opponents of industrial policy argue that American government and business would conduct such a policy badly, whatever may happen abroad. Yet the evidence is otherwise. The American era of unquestioned technological supremacy, from the 1940s to the mid-1970s, was produced by an industrial policy designed as defense and space policy.

Beginning with Pearl Harbor, the Pentagon, and later NASA, sponsored research and development programs that gave America world leadership in nuclear physics, aerodynamics, computers, artificial intelligence, metallurgy, lasers, biotechnology, and virtually every other field crucial to today's advanced-technology industries.

Today military spending is on a downward curve. Places like Southern California already feel the pinch. The public demands a peace dividend in lower taxes or higher social spending. American industry itself is being left to develop the next generation of technology. It is not going to succeed.

Not only are there inherent obstacles in the way the industrial marketplace works, but the investment structure of American business penalizes long-term research investments. Yet one may ask if national security means mere security against military attack. Does it not encompass the well-being and prosperity of citizens?

The evidence is that countries which practice an intelligent industrial policy, deploying public and private re-

sources to long-range national advantage and long-term return, are the ones that prosper. America was the world's technology and science leader from the 1940s through the 1970s because war and cold war forced it to invest in research that commercial companies would have rejected as too costly, too speculative or without evident commercial application.

America's declining technological position threatens to produce continuing decline in living standards and increased economic and industrial dependence on other countries. Yet one would think that most Americans still want to lead, innovate, and prosper. They had better do something about the ideologies setting national policy.

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100, 75 AND 50 YEARS AGO

1890: Mr. Stanley to Wed

PARIS — Mr. H. M. Stanley has made a new conquest, a marriage having been arranged between him and Miss Dorothy Tennant. The lady is well known as a clever artist. Mr. Stanley has declared times immemorial that his mission in life was not to be able to talk to women, but from the first day that he was presented to his future bride he seemed to find in Miss Tennant's society a haven of rest.

1915: Trouble in Lisbon

LONDON — Just when peace and calm had apparently been restored in Portugal, a grave event has occurred that will probably have a disastrous effect on the situation. A telegram from Lisbon received this evening (May 17) states that Senhor Chagas, the new Prime Minister, was shot at and seriously wounded by Senator Jean Freilas. Senhor Chagas had just arrived at the Estremadura railway station to take possession of the

What About Biological Weapons?

By Jonathan Power

LUND, Sweden — George Bush and Mikhail Gorbachev are feeling bad they haven't talked a strategic arms treaty in time for their summit meeting on May 30, so they are rapidly mixing together the ingredients for an accord that will sharply cut their stocks of chemical weapons.

If this is the way we make progress on the control of chemical weapons, who is to question it, especially after we resisted the horror of Ypres during the Iran-Iraq war? Chemical weapons are in danger of becoming the nightmare of warfare, with Iraq threatening to "burn half of Israel" and Libya stockpiling fast for contingencies that can only be guessed at.

Yet chemical weapons are only half of it. Why is no one talking in a loud voice about biological weapons? As a new report by the Stockholm International Peace Research Institute puts it, "Technical developments have proceeded at a much more rapid pace than was foreseen at the time of the conclusion of the Biological Weapons Convention in 1972." Biotechnology has taken a great leap forward, enabling the development of new microorganisms. Biological warfare, once considered infeasible, is now back on the front burner, at least for a number of would-be belligerents.

When President Richard Nixon unilaterally announced America's use of biological weapons in 1969 (not least for reasons of U.S. self-interest) such warfare was widely thought to have unpredictable, and potentially uncontrollable consequences. It was considered that the manufacture of biological weapons presented unsolvable safety problems for the personnel involved. There was no feasible way of protecting the troops using such weapons from infection, and it was impossible to immediately occupy an area after they had been used, the aftermath could linger for years.

When the convention outlawing biological weapons was drafted in 1972, the scientific advisers apparently did not anticipate that anything could significantly change this picture. No one thought to write in a sentence that would exclude the misuse of genetic engineering and other methods of biotechnology.

But by the mid-1980s, recombinant DNA research and other biotechnologies offered possibilities for new types of biological weapons. Weapons that could consistently produce a given effect that would be highly contagious, effective in small doses, safe for the belligerent to handle and difficult for the targeted population to identify and take defensive action against.

Vaccines? Forget it. Recombinant DNA technologies could develop agents that would overcome any immune barriers, natural or acquired. Moreover, the agents would be difficult to detect by normal diagnostic means, and resistant to usually available drugs.

The convention does not restrict research. It also allows development, production and stockpiling for "prophylactic, protective and other peaceful purposes." Now it is impossible to tell apart a small research laboratory and a production facility. That gives all the room for maneuver that any malevolent political leader needs. Moreover, the new techniques make it unnecessary to stockpile biological agents. If wanted, they can be made in a day or two.

There is no provision in the convention for verification, because the negotiators did not think biological weapons would be produced or used. It is a sobering thought that in only 18 years science can take verification from impossible to obsolete.

We should not be surprised, then, that the best estimates suggest that the number of countries suspected of possessing offensive biological weapons has increased from four in 1972 to around 10 today, some of which are signatories of the treaty.

OPINION

All Their Hate-Mongering
Is Debasing a Great City

By A. M. Rosenthal

NEW YORK — Day after day, this great city, this treasury of talent and art, commerce and creativity, this particular civilization built by every race and religion on God's earth, this triumph of American freedom and opportunity, this New York, is being vilified, crucified and humiliated before the entire world, and by its own people.

We who live in this city by chance of birth or choice of dream, sickened by what the world is seeing and reading about New York — the demagoguery of race hate, cheap faces saying cheap things, headlines and television painting eagerly that the city is about to go up in flames.

We know these things are not the essence of New York. They do not

After spending my adult life baking and eating journalism's bread, I still find it tasty and filling. But my pride in my craft shrivels when I see New York City tabloid headlines proclaiming the fire to come.

Reporters generally do a good job. Surely the responsible editors and publishers will now see that they are helping to destroy their city by wrapping stories in headlines written to sell papers through fear.

On television, night after night, other reporters interview kooks, idiots and hate peddlers. Portentously, these reporters pass on raw gossip and political publicity seeking, endlessly and mindlessly. There are words for this kind of "journalism" — amateurish and disgusting are two.

The media created the importance of these who emerge when there is hate or fear to feed on. This city's leaders, black and white, and its churches and organizations did not squash them soon enough — still have not. But the white-owned, white-edited New York print and electronic press, we damn well made the hate mongers famous.

Censorship is not the issue, just plain news judgment.

They merit almost none of the attention they get. One television station actually allowed one of these self-appointed, self-anointed "spokesmen" for the people to respond to the mayor's speech immediately after it was delivered, as if the nasty fellow was the speaker of the house replying to a presidential address.

Nationally known television journalists are revolted by the standards of some nightly news programs: If it bleeds, it leads.

They also despise sensationalist news packages produced by outsiders and sold unseen to network stations, including some that are owned by newspapers. Perhaps the television stars will speak up.

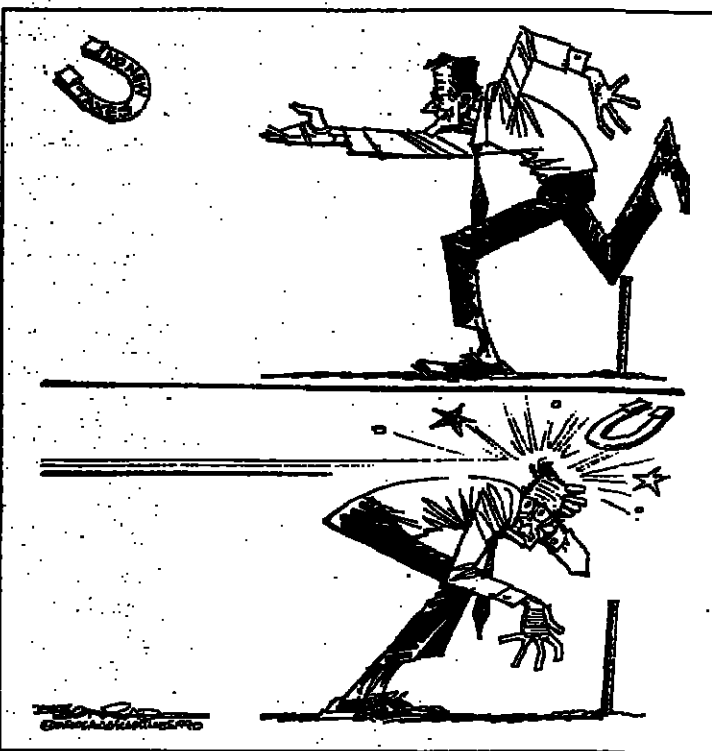
Lesson for the smug: Whites are cozily content with segregated lives.

The other night I attended an East Side book party — 120 whites, two blacks. I gave it.

Lesson from history: In their poorest years, the Italians, Jews and Irish of New York gave their dimes and nickels and attention to help their orphans and their sick, and yanked their kids off the streets by their ears. Now in New York, only African-Americans can answer, for themselves, whether they give enough or yank enough.

Most important, a lesson in geography: In the race riots of the 1960s a cop ran down a Harlem street, shouting to people to go home. A woman leaned out the window and shouted back: "We are home, baby."

The New York Times.



LETTERS TO THE EDITOR

Africa: Wealthy Countries and the UN Have Work to Do

The New York Times editorial "Rethinking Foreign Aid" (April 10) was a welcome glimmer of hope for developing nations. Unfortunately, it made no reference to Africa, despite the recent release of the World Bank report "Sub-Saharan Africa: From Crisis to Sustainable Growth."

That report is a thoughtful document and should stimulate considerable discussion. While it moves away from the earlier sharp focus on structural adjustment programs and gives greater weight to the human dimension, many — especially in Africa — will feel that it does not go far enough.

The menu of options offered for debt relief offers very little in the way of substantial adjustment. Indeed, the report assumes that debt relief likely to be received will simply serve to level out debt service between now and the year 2000 at \$9 billion per annum in 1990 dollars.

Moreover, the estimates in the report for needed capital inflows assume an increase in the gross domestic savings rate of Africa states from 11.8 percent of GDP in 1986-87 to 18 percent in the year 2000, as well as a fourfold increase in the additional value added per unit of investment. If such substantial increases cannot be achieved, the report has seriously underestimated the future need for external capital.

The report is attempting to cut through a very knotty problem with single-bladed scissors. African countries must seek to promote exports. However, if their efforts to do so simply result in competition among themselves for a limited external market, some may succeed but many will fail. The comparative

EDGAR O. EDWARDS,
Gaborone, Botswana.

In the February issue of UN Special, a monthly magazine of UN agencies in Geneva, Michael Njume Eborog co-gently argues the case for what William Pfaff ("For Distressed Africa, What About International Colonialism?" *Opinion*, April 24) calls "a disinterested international interventionism."

There is no doubt that the United Nations and its agencies will have an increasingly important role to play in Africa, for good or bad. But such involvement should not be dictated by the

Who Helps a Young Man in Trouble?

By Joseph Horn

NEW YORK — On a recent bright, sunny afternoon, I was walking arm in arm with my wife on Seventh Avenue in New York City. We were both in a holiday mood and looked forward with great anticipation to a Broadway matinee.

It happened in broad daylight with hundreds of people all around us. From behind, a young black man stuck his hand into my right pants pocket, grabbed my money clip with several hundred dollars and ran off. Reacting spontaneously, I ran after him screaming at the top of my lungs, "Police! Help!"

Running after a 15-year-old sprinter is not a good idea for a 63-year-old. As I was beginning to weigh the consequences of my actions, however, I heard someone running behind me.

This new sprinter overtook me easily and continued west on 40th Street in hot pursuit. At the end of the block, he caught up with the robber, tackled him and held him down until several Guardian Angels appeared, just like guardian angels do in storybooks. Expertly, they took over, pinned the perpetrator against a wall,

held him immobilized and sent for the police to make the arrest.

By that time, my wife had arrived on the scene, as well as the mother of the Good Samaritan. We now had time to express our profound thanks to this young man and his mother for their help. They had come to the city from Piscataway, New Jersey, to see a show. They witnessed the robbery, and the young man unhesitatingly came to our aid.

The police came and made the arrest. They retrieved my money from the black

MEANWHILE

kid's pocket and the case is now in the labyrinth of the city justice system.

This experience has had a far-reaching effect on me. Surprisingly, and to my great satisfaction, I have found that I am not tainted by racial bias.

For me, being what is commonly referred to as a Holocaust survivor, this is very important.

All the time I felt a keen sympathy for the robber, and never even to this day have I felt a trace of hatred or a desire for revenge. As a matter of fact, there was a feeling of déjà vu, and a certain identification with this young perpetrator of a crime.

This identification goes back, way back, to 1945. It happened also on a beautiful spring day in April, a short time after my liberation by British forces in Bergen-Belsen, an infamous Nazi concentration camp.

For me, that was a time in my life when every experience was like that of a newborn. At times I had to pinch myself to make sure that this was reality, that I was a free person, that the terrible years were over. Each passing day brought new strength to my young, fast-recovering body. I was 19 years old, with six of those years spent in ghettos and Nazi concentration camps. I was the sole survivor of a family of six. I knew I was on the threshold of a new life, a new beginning.

Each day a few of us, those who had the strength, would make forays into the neighboring towns. Life was slowly returning to normal, but we the survivors were not. For us, life would never be the same. We felt a horrendous rage against all Germans. Vengeance and accountability was the first priority.

One day I hitched a ride with a British soldier into the nearby city of Celle. The city was half destroyed, but the stores were open and I was able to buy a few things. But food was not available and I was getting hungry. To return to camp was at least a two-hour walk. I decided to "borrow" a bike, which would cut the time down considerably.

I took the first bike that came into view and made it back without incident. There was an entry gate at the camp and it was guarded by British soldiers. While these soldiers were courteous and sympathetic to us, they were also under orders to enforce the law for everyone, including the Germans. When I stopped at the

gate to announce my return, the sergeant took a long look at the bike. He asked for a registration paper to match the plate, which, I noticed for the first time, was attached to the back fender.

A few minutes later I found myself in a jeep with two MPs on the way to jail. There I was dumped unceremoniously into a barracks compound not much different from my old alma mater.

I quickly fell into a panic. I feared that, with everything in a state of flux, I would not even be reported missing. Lots of people were still dying from camp-related diseases; names and nationalities were all a jumble.

I was assigned a bunk, given a blanket, told to appear the next day for a hearing.

After a sleepless night, during which I decided to commit suicide rather than resubmit to incarceration, I was brought before an army officer for interrogation. He asked my name, nationality and history. When he realized the extent of my distress, he excused himself and walked out of the room. He came back in the company of another officer. I noticed something strange on the uniform of the other officer. On each lapel of his jacket, was a Star of David.

I immediately asked him the meaning of these stars. He was, of course, a chaplain, a rabbi attached to this British detachment. My relief was enormous and I began to cry uncontrollably.

The chaplain took responsibility for me, and we had a long talk. I insisted that by stealing the bike I felt I committed no crime. I told him of my suffering in the camps. I told him of what I witnessed personally when I worked at the arrival ramp for months at Auschwitz-Birkenau. I told him of my parents, my sister and my two brothers who were no more. I told him of all the possessions that my family had, which were taken from us.

And then I asked, why am I not entitled to this miserable bike?

Now back to the black kid who robbed me of my money and for whom I professed compassion.

As I watched him being held against the wall by the Guardian Angels, I thought of myself and the bike. Most likely, in this kid's mind he was not committing a crime, according to his peers and the circumstances of his upbringing. He may have been convinced, just as I was, that he was simply taking back what his peers tell him was justifiably his, if it had been properly distributed in the first place.

The other day, the Reverend Al Sharpton warned that acquittals in the Bensonhurst trials could "burn the town down." Earlier, I read of black leaders seriously urging followers to create armed militias to defend their rights. If I were a young black man growing up in a ghetto, I would consider those messages an encouragement to lawlessness.

My question is this: Will this young man meet a real chaplain who will help him, the way I was helped?

Mr. Horn lives in Glen Rock, New Jersey. He contributed this comment to The New York Times.

ON MY MIND

touch upon why we live and stay here — the bounce, the range, the wit, the electricity that exists nowhere else.

But we are not fools. We have shame for the poverty, the drugs, the dread of walking the city by night.

And now we have shame for the race-based violence, the race-hate mongers crawling out to feed, and those who help create them.

One day the episodes that occupy us now will pass, in peace or fury. But the causes that lie beneath them — black poverty, drugs, miserable education, parentless families — will remain.

These root causes will take years to deal with. If we and our federal government do not, the hate mongers will creep all over our city.

But meantime, New York can learn and profit from its wounds.

Lesson for the mayor: Lead. Mayor David N. Dinkins has his own calm, rather aloof style, and the city respects him. But when the city is threatened with racial violence, it wants leadership — fast and strong.

He played it rather too safe in the first weeks.

Under pressure — City Hall says principally the impact of a New York Times editorial — he gave a leader's speech, clear and intent.

I think the city hopes Mr. Dinkins keeps using the credit he has earned because he is mayor, because he is black and because he is a decent man, and uses it quickly to deal with the racial problems of New York.

Lesson for the media:

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

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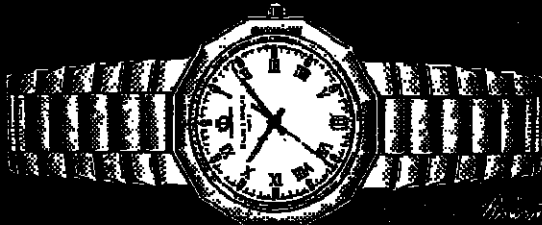
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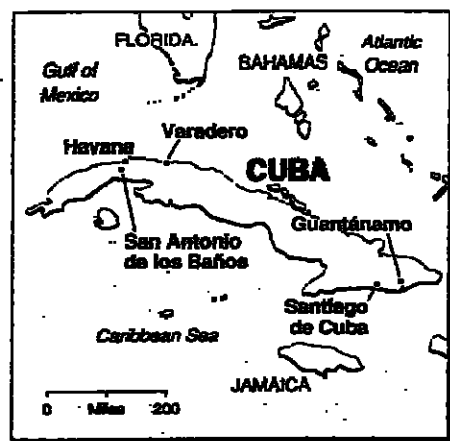
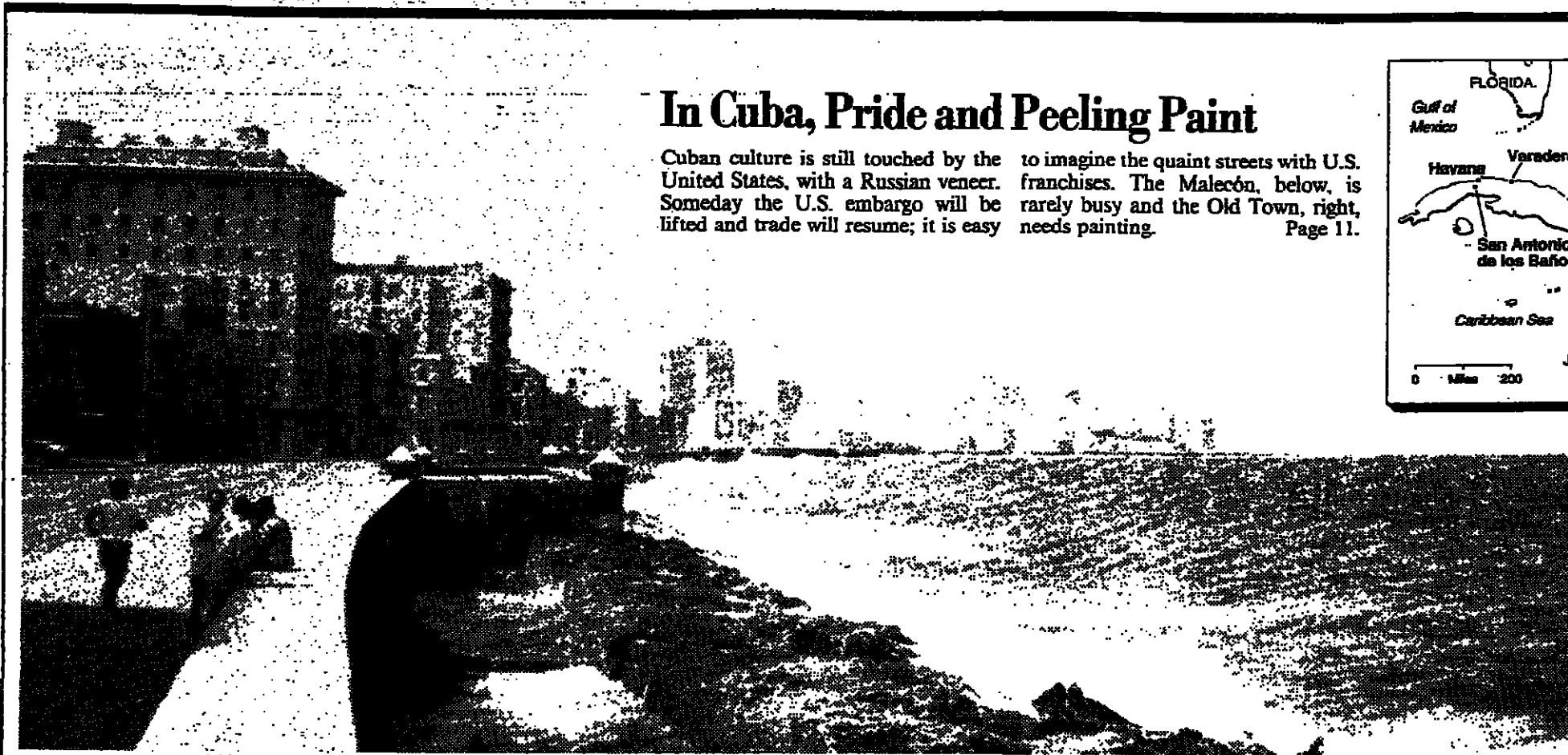


BEYOND PERFECTION.

TRAVEL

International Herald Tribune

- Gains for Business Fliers
- Biking in Utah



In Cuba, Pride and Peeling Paint

Cuban culture is still touched by the United States, with a Russian veneer. Someday the U.S. embargo will be lifted and trade will resume; it is easy to imagine the quaint streets with U.S. franchises. The Malecón, below, is rarely busy and the Old Town, right, needs painting. Page 11.

The Greece of Myths, Poets, Saints and the Several Mouths of Hades

by Benedict Nightingale

THESE are limits to travel. You cannot sail up and down the River Styx with Charon, the boatman who took the dead to Hades in Greek myth, as your tour guide. Whatever your prospects for permanent residence there in the future, you cannot buy round-trip tickets to the place that the Greeks knew as Tartarus and others sometimes call Hell.

On the other hand, it is perfectly possible to go to the very edge of that subterranean world, and to do so without feeling particularly imperiled or sinful. Take Troezen, take parts of Patmos, take Eleusis.

Those who make the 35-mile sea trip from Athens to Poros sometimes cross the narrow strait separating the island from the Peloponnese and catch a bus to Mycenae or Epidaurus. But they merely seem to turn west, and go along the mainland coast for the mere five or six miles it takes to get to Damia. They are right in a way, because the village is scarcely as attractive as Poros Town, and they're wrong, very wrong. Walk farther west, through lemon groves, and you find the remnants of one of the most important cities of Greek myth and ancient Greek history: Troezen itself. Turn north and you're in the Devil's Gorge or, more accurately, the Gorge of Dionysus, one of the most haunting and magical places anywhere.

Troezen was where the crazed Orestes came, pursued by the vengeful Furies, to be purified for the murder of his mother, Clytemnestra. Hercules, or Heracles, was often there. Once he leaned his club against a statue of Hermes and it promptly grew roots and reverted to the olive tree it had been. The sea god Poseidon watched over the town, and occasionally punished its citizens by flooding their fields with salt water.

Troezen was best known for the birth of Theseus and the death of his son Hippolytus. As you enter its boundaries there is a great rectangular rock, perhaps three feet long and two feet high (about 90 by 60 centimeters), set in a fork in the road. That's supposed to be the Theseus Stone, celebrated in legend. A bit farther on are the foundations of the Temple of Hippolytus.

Aegus, the visiting king of Athens, believed himself to be the father of Theseus, though the Troezenian maiden he had drunkenly seduced slipped out of their bed the same night, waded to Poros, and became pregnant by Poseidon. At all events, he hid sandals and a sword beneath the rectangular rock before leaving for home, convinced that only the son he had just sired would be strong enough to lift it. Theseus duly managed that feat at age 16, went on to perform heroic exploit after heroic exploit, fathered Hippolytus by an Amazon and eventually married Phaedra, who fell violently in love with her stepson and hanged herself when he

rejected her advances, leaving a note accusing him of rape. The conclusion of the tale is recorded in gruesome detail by Euripides. The credulous Theseus cursed his son, Poseidon sent a grisly monster up from the sea, and the virtuous Hippolytus was dragged to death by his terrified horses; all on the shore you can still see from Troezen.

Troezen supposedly sent men to besiege Troy. More certainly, it gave a home to the Athenians who fled the invading Persians in 480 B.C., but took the Spartan side in the Peloponnesian War and was plundered by Athens a half-century later. It was an important city well into the Christian era, though it takes an effort of imagination to believe so today.

What the visitor mainly sees are marble slabs, the odd pillar and long stretches of truncated wall surrounding grass that was once a room—a bathhouse, a gymnasium, a holy place, or an ancient sanctuary. Leave the rubble of the Temple of Peeping Aphrodite, from which Phaedra is said to have spied on the naked Hippolytus as he exercised in the gymnasium. Leave the remains of the temple of Artemis, Apollo and Poseidon and walk up the slope to Troezen's north. Go past the Palace of Theseus, a ruined tower with medieval walls perched above the big, square stones of its much older first floor. Continue up and up the gorge, green-brown crags above you and

clear water rattling below, up and over a mossy crossing known locally as the Devil's Bridge, and along a narrow path, hemmed in by trees.

It's almost best to make the trip on a painfully hot day, because the temperature drops beneath the leaves and you can, if you wish, paddle in the cool pools up and down the gorge.

It leads more or less directly to the kingdom of Hades, Tartarus. Here Heracles completed his last and most difficult labor, half-dragging and half-carrying up the monster dog Cerberus, which he had choked almost to death down below. And here the god Dionysus brought back to earth his mother, Semele, whom his father, Zeus, had destroyed with a thunderbolt when she denied him further access to her bed. After they had emerged the two of them went first to the temple of Artemis at Troezen, and then to Mount Olympus, where quite a family reunion took place.

Yet as you venture downstream, it becomes easier to believe that there are old ghosts just beneath the surface. Gnarled and knotted trees, some with hollow trunks, precariously cling to the orange-and-black walls of the brightening, narrowing gorge. Their roots hang down in bunches of gray and white, their branches twist artfully above you. The stones become rocks and the rocks boulders, hefty threatening things that impede and finally block your way. You suddenly realize you wouldn't care to be in the gorge at night. It is a sinister place, for all its allure. You can see why our ancestors thought it was a main gate to the underworld.

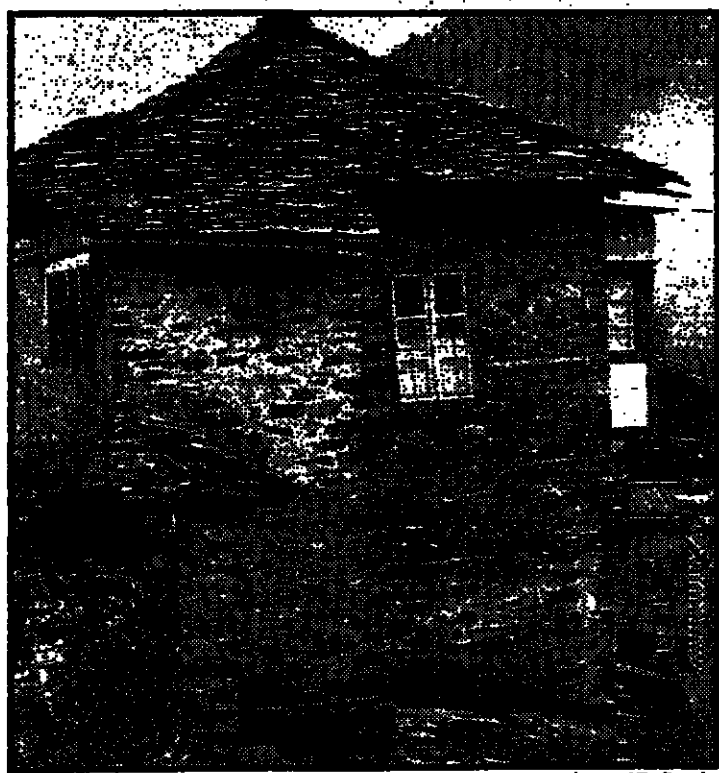
PATMOS is the island where St. John the Divine (or Theologian)—just conceivably the same man who was Jesus' "beloved disciple"—came as an exile to preach, baptize and have a vision to end visions. The cave in which he supposedly dictated his Book of Revelations, on the hillside over the main port, is much visited

by tourists. So is the 11th-century monastery on the pinnacle above it: a massive brown fortress that sprouts up from the stark-white houses of Hora, the town clustering round it.

There is an older, more hidden Patmos. That's the island of Apollo and Artemis, of the pagan priests whom John displaced, and in particular of the satanic wizard he eventually destroyed, Kynops. The story of their combat is attributed to the saint's disciple, Prohoros, and contained in an ancient manuscript still kept in the monastery. Roughly, it goes like this.

John repelled the demons that Kynops had dispatched with orders to carry off his soul. So the wizard came in person to the seashore and put on a sensational display. He dived into the water, emerged with phantoms of recently dead Patmians and then incited his audience to attack John, which they did, leaving him for dead. But the saint revived and confronted Kynops the next

Continued on page 11



Stone house in Zagoria, where Byron found contentment.

On Byron's Trail Through Zagoria

by Elise Maclay

FROM childhood, I have loved walking and reading. For me, a book and a backpack are enough. Especially if I can walk in the footsteps of one of my favorite authors.

Last spring I did just that, roughly approximating the itinerary of the poet George Noel Gordon Byron on his initial foray from Preveza on the Ionian coast to the interior of northwest Greece. Lord Byron was on his way to the courts of the infamous tyrant Ali Pasha, in Albanian Tepelene. Our trek kept a prudent distance from the Albanian border. But the territory we passed through was the same, as little known and as beautiful.

My husband and I joined a British walking group (four Britons, two Scots, two Irish and a Yorkshireman guide) on a two-week walking tour of the Zagoria villages—a Greece so different from sun-drenched, whitewashed islands as to seem another country altogether.

In the Pindus Mountains in the region known as Zagoria, 48 exquisitely matched yet distinctive villages are composed of gray stone—gray stone houses with gray slate roofs, gray cobbled streets with gray stone curbs. Between these villages, and above and below them, lie forests and pastures inhabited only by shepherds, wolves, wild boar and an occa-

Continued on page 11

TRAVELER'S CHOICE

Museum for a Swedish Warship

A new museum to house the restored 17th-century warship Vasa will open June 16 in Stockholm. The 70-meter (230-foot) vessel, built to be part of the fleet of Gustavus II Adolphus, sank the day of its launching in 1628 and was salvaged in 1961. The ship, decorated with more than 700 sculptures, was restored after being preserved in the cold, low-saline waters of the Baltic. The museum, which replaces an aluminum shelter, is on the island of Djurgården. It is designed to accommodate the ship's 50-meter masts and includes historical exhibits on 17th-century seamanship and the Vasa's restoration.

Tourism in Antarctica Starts to Boom

U.S. tour operators are planning to send a record 4,000 or more travelers to Antarctica, which is prompting calls for stricter government regulation to protect wildlife on the continent. About 800 American tourists traveled to Antarctica in 1988, 3,000 in 1989, and tour operators expect at least 4,000 in the December-February summer season. Particularly worrying to critics are the plans of Ocean Cruise Lines of Fort Lauderdale, Florida, to send the largest cruise ship in years to Antarctica, the 460-passenger Ocean Princess. Rates begin at \$3,895 a person for double occupancy on its three wine-and-caviar cruises, which are selling briskly. The first round trip from Buenos Aires, Argentina, begins Dec. 22. Although 16 nations fly flags in Antarctica and seven claim slices of it, no nation holds title to the continent. Military flights and small ships carrying about 100 tourists have been frequent modes of travel to Antarctica since the first tourists visited in 1958. Although most tourists are Americans brought in by U.S.-based carriers, the Chilean government has opened a spartan hotel at its Teniente Marsh Station on King George Island, and LanChile airlines began commercial flights last year. Australian entrepreneurs have proposed a five-story ho-

tel, airstrip and hovercraft dock, and the Canada-based Adventure Network currently flies tourists to one South Pole station.

Tours of George Washington's Gardens

For the first time Mount Vernon, George Washington's estate in Virginia, is running tours of the gardens and grounds as well as the mansion. The 40-minute garden and landscape walking tour is available daily through Labor Day—at 10:30 A.M. and 12:30, 2 and 3:30 P.M. The tour gives an overview of Washington's innovative landscape design, showing how he combined gardens, groves, vistas and paths. A 10-minute talk about the upper garden is also given several times a day. The upper garden, which has a greenhouse, was designed as a pleasure garden, featuring ornamental plants; the lower garden produced fruits, vegetables and herbs. More than a dozen trees planted by Washington are still living. Seeds and plants from the gardens, including boxwood shrubs grown from cuttings of the original hedges, are sold in the museum shop. Mount Vernon, 16 miles from Washington, is open from 9 A.M. to 5 P.M. through October and to 4 P.M. November through February.

'Historic' Hotels in Paris

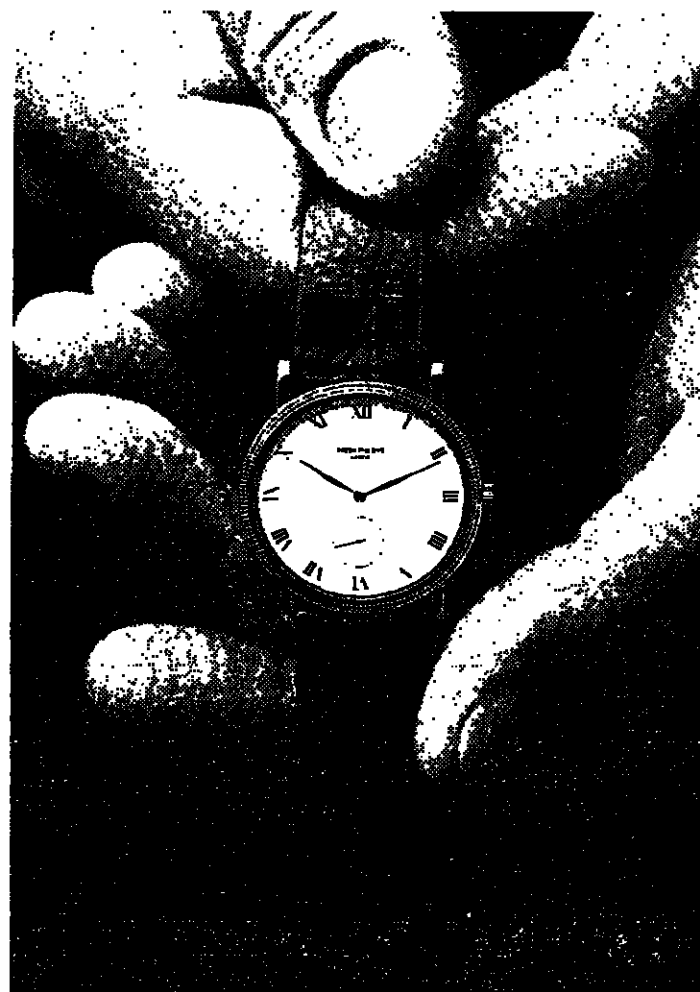
"The Historic Hotels of Paris" by Wendy Arnold, one of the Thames and Hudson "Historic Hotels" series, is a guide to some of the more attractive caravansaries in the French capital—31 in Paris and one in Versailles. The range is from well-known luxury establishments like the Ritz and Plaza Athénée to "hidesaways" and recently gentrified hostels in such neighborhoods as the Marais, Ile Saint-Louis and Saint-Germain-des-Près. In price, the range is from 500 francs (\$90) up. The 96-page volume includes 114 color photos, map, and a page of text and data on each hotel.

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TRAVEL

THE FREQUENT TRAVELER

Cutting Restrictions for Business Fliers

by Roger Collis

I F I can call myself a frequent flier, it is on the milk run between Nice and London (Heathrow or Gatwick, equally dire). It is also one of the most expensive routes in Europe.

I've tried it all ways. Business class on Air France, British Airways and Dan-Air is 4,560 French francs (about \$825) for the round trip. You can fly to New York and back for less. The cheapest unrestricted fare is that of Dan-Air (3,900 francs) in the back of the plane. Air France and British Airways have what they call Euro-budget at the same price. But you have to "upgrade" to business class if you want to change your return.

Then of course there is APEX (14-day advance booking) for 1,350 francs to 1,790 francs, and a PEX fare of 2,120 francs — both of which require a Saturday night stay and of course you can't change your flights once they are booked. I've taken my own advice, such as "back-to-backing" (buying an APEX or PEX at each end of the route and flying on the first half of the second ticket, and so on). But it never seems to work. I usually end up buying a full-fare one-way ticket to get home.

This is what incenses many business fliers in Europe. Airlines deliberately make their discount

fares impossible to use on business. So it's pay top dollar for a flexible ticket and a few frills.

Enter Euro Express, a Gatwick-based tour operator, which offers lower fares with far fewer restrictions. First is a cut-price PEX fare with Dan-Air costing 1,580 francs but with no Saturday night stay requirement. Second, there is a charter fare with Britannia Airways for 1,350 francs. Flights operate on schedule to Gatwick six days a week; there's no minimum stay and you can change the return flight for 300 francs.

"We have a facility to sell Dan-Air on some routes, such as Nice and Paris, at what we call 'consolidation' rates," says William Besant, managing director of Euro Express. "Then we do whole plane charters with Britannia and fly to a regular schedule. By offering total flexibility — you can go and come back any day you like — we're aiming at the business market on both ends of the route."

This is an example of how many tour operators are working with both charter and scheduled airlines to provide lower fares for business travelers — and with fewer booking restrictions. At the same time, charter operators are challenging state-dominated carriers with scheduled services — not just to sun, sand and sea destinations, but on key business trunk routes.

Says Paul Holubowicz, director-

general of ACE, the EC organization for independent charter airlines. "Five years ago, none of our members — we have 21 — except Dan-Air in the U.K. and Maersk Air in Denmark, were into scheduled operations. Today, I'd say half of them are. It's a defensive move, to have a foot in both camps."

What has happened is that scheduled carriers — having captured the business traveler, by delivering more and better frills, comfort and service but without any price breaks — have been turning to the leisure market to fill up the backs of their planes. Up to 90 percent of all demand in Europe will be leisure-motivated by the end of this year, Holubowicz says.

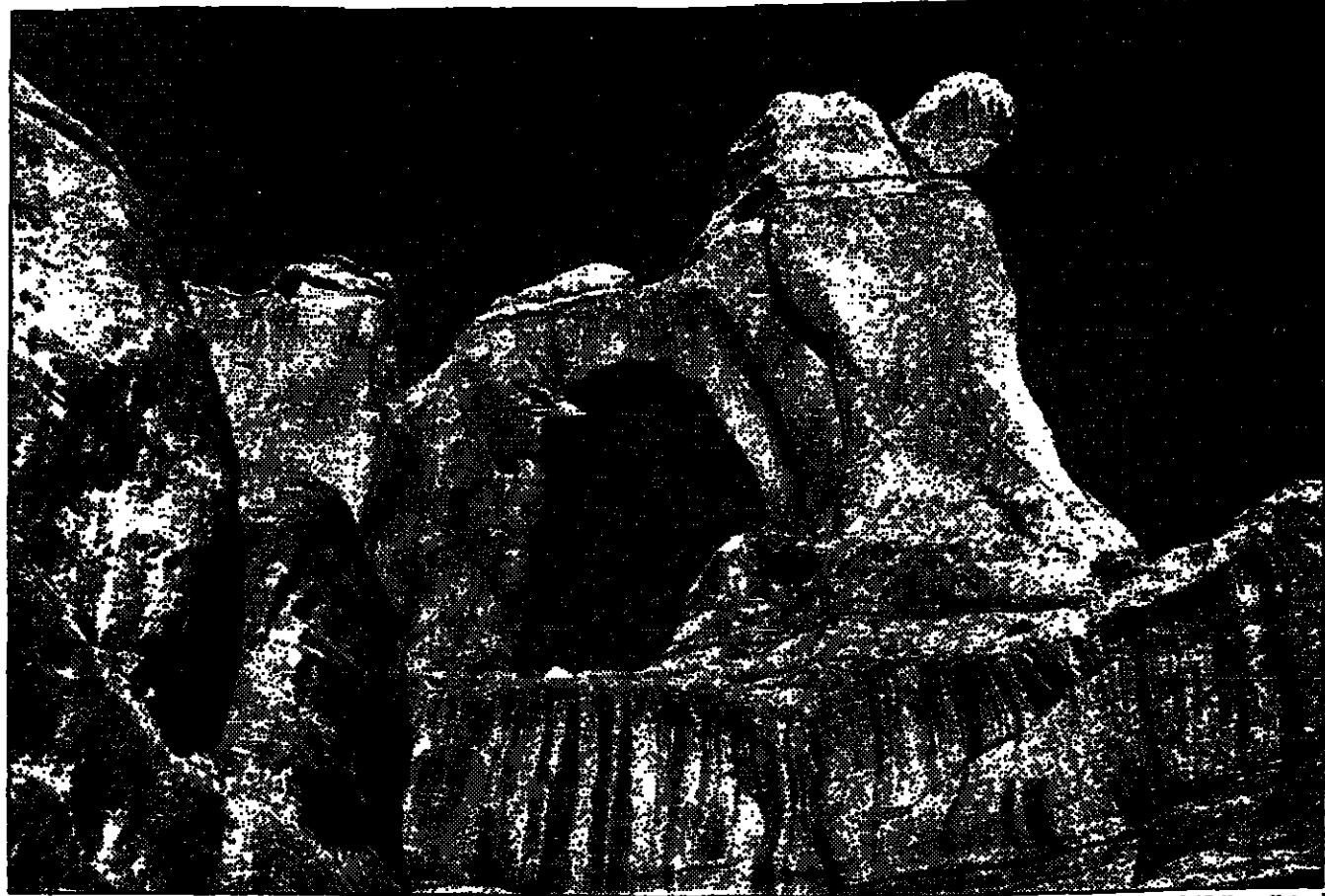
SCHEDULED airlines have moved into this market by offering promotional and discount fares at charter prices and by chartering their planes at weekends when the shuttles wind down and there's less demand from business people. Says Holubowicz, "Our margins are already razor-thin. When you get an operator of the size and might of British Airways coming in on marginal costs, it's hardly surprising some of our weaker carriers have been squeezed out of existence. We are at the crossroads now. Charters are dying at the rate of one a month. So if you can't beat them, join them."

Air Europe, the U.K. charter

airline, which is owned by the holiday conglomerate, International Leisure Group, claims to be the fastest growing scheduled airline flying to Europe from the U.K. From 20 scheduled services in 1985 (Palma and Gibraltar), the airline now serves 12 destinations from Gatwick including business cities like Paris, Brussels, Copenhagen, Düsseldorf, Oslo, Munich, Rome and Stockholm. The airline has U.K. government approval for services to Zurich, Amsterdam, Frankfurt, Milan, Barcelona and Madrid. Air Europe entered the scheduled market with one-class and unrestricted fares 15 percent below the competition. It has now followed other carriers with a separate business class and fares have crept up. But fares are still about 10 percent less in business and economy.

As far as the traveler is concerned, the distinction between "scheduled" and "charter" has become blurred. A charter flight traditionally means one that is flown by an airline for a tour operator who sells tickets as part of a package that includes accommodation and with a minimum length of stay, typically seven days.

Nowadays, seat-only sales account for around 50 percent of the market. On some charters you can now buy a one-way ticket and change the flight on a round trip. "Programmed" charters operate to a strict timetable just like scheduled airlines. Standards are high and there is growing demand for premium service.



Angel Arch in Canyonlands National Park: The rough terrain around it is ideal for mountain biking.

Biking Highs: Off-Road in Utah

by T.R. Reid

MOAB, Utah — As soon as I crested the steep hill of red Navajo sandstone, I braked to a stop and paused to catch my breath. Standing there astride my bike, I looked back and spotted three other riders pedaling along the same rugged trail I had just traversed. Watching this too cruise swiftly and confidently over the bumpy, jagged expanse of rock, I knew immediately that they were experienced mountain bikers. As I listened to them shout back and forth, I realized that they were from West Germany.

And so, when the three riders pulled up next to me atop the hill, I asked the obvious question: How had three Germans on bicycles found their way to this remote corner of the Utah desert?

"We have been for two years planning this trip to Moab," one of them replied. "We have ridden trails all over Europe. Last year we rode in Vermont. But in the world no place has bike trails like Moab."

That simple truth explains why the little Mormon settlement of Moab, Utah, situated on the high desert just west of the Colorado border, has emerged as the world capital of a booming new sport: mountain biking. The mountain bike — also known as the all-terrain bike or ATB — is a new breed of two-wheeler, heavier and sturdier than the familiar 10-speed but still easy to pedal on steep hills.

A standard 18-gear mountain bike costs about 35 percent more than a comparably equipped 10-speed, or "road bike." Yet sales are skyrocketing around the world as athletic-minded adults realize that pedaling over a bouncing country trail is not only good exercise but also a fun way to get up close and personal with some spectacular scenery.

As a result, places that have the right kind of terrain are rushing to develop mountain biking as a tourist attraction. Several locales claim to be the premier mountain-biking venue in the nation and/or the world.

But I am more than willing to

concede what local boosters in Utah have been saying: Moab is the mecca of the mountain bike. A country town of 5,000 located right between two splendid national parks — Arches is five miles (eight kilometers) north, and Canyonlands is 30 miles south — Moab is not easy to get to. The two nearest urban centers, Salt Lake City and Denver, are 225 and 300 miles away, respectively.

The Moab area offers a rich variety of biking terrain. Those who like to pedal on paved road can find hundreds of miles of country highway to ride, both in and out of the national parks. Off-road riders also have countless choices, including the 128-mile Kokopelli Trail, the longest dedicated mountain-bike trail in the country.

Finally, there is the singular experience that draws thousands of

at the statistics. The full route is just 11 miles long, but takes most people about four hours to ride. Less than three miles per hour? Even with an awful lot of stops to admire the scenery, I thought, that's way too slow. In the event, three miles an hour proved too much for me to maintain on this exhausting course. I managed to cover about half the trail in a long morning's ride before my legs gave out for good, although I did meet some riders — my German friends among them — who completed the full slick-rock loop.

HAVING bounced and bumped over enough petrified waves to last a lifetime, I headed out next to smoother riding on the road that winds through Arches National Park. This, too, turned out to be a marvelous spot for a bike ride.

The Moab Slick Rock Bike Trail is a lumpy, bumpy, exhausting and utterly thrilling ride across sheer rock.

bikers each year from across the United States. Germany and elsewhere else to this desert setting: the famous Moab Slick Rock Bike Trail, a lumpy, bumpy, exhausting and utterly thrilling ride across sheer rock on the petrified bed of an ancient sea.

On a weekend trip in early spring, when the Colorado was running high with melted snow and the first wildflowers were bursting into color, I sampled all three varieties of Moab-style mountain biking. Having driven into town through a breathtaking canyon alongside the Colorado on U.S. Route 128, I headed directly to the Slick Rock Trail, nestled in the rocks four well-marked miles east of downtown.

If you can imagine a rolling, wind-swept ocean that suddenly turned orange-brown and frozen into solid stone, you'll have a good mental picture of the Slick Rock Bike Trail. It's really not a "trail" at all — just a series of short white lines painted on rolling dunes of rock by the motorcycle riders who laid out the trail 20 years ago.

But these days the ride is almost entirely the preserve of the mountain bikers, operating on human power.

The motorized origins are obvious once you start riding the route. Every once in a while that trail of white dashes leads you up a rocky slope so steep that most sane adults wouldn't even try to walk it — much less pedal up on a bicycle. And every impossible upslope leads to a terrifyingly steep downhill streak on the other side. The result is a jumping, jolting, daunting, demanding experience that is also tremendous fun.

Reading about the trail before my arrival here, I'd almost snorted

When Major John Wesley Powell, the intrepid scientist and explorer, led an expedition through the then-uncharted canyons of the Colorado in 1896, he sent back a perfect description of the "world of grandeur" he found here. "Wherever we look there is but a wilderness of rocks," Powell wrote, "[with] deep gorges where the rivers are lost below cliffs and towers and pinnacles, and 10,000 strangely carved forms in every direction."

Arches National Park has the largest cluster of rock arches, or natural bridges, on the planet; more than a thousand have been charted here, and the elements are gradually sculpting more every century in the maze of orange, maroon, vermillion and crimson cliffs rising from the desert floor. A 40-mile loop road winds among the natural wonders.

Viewed from a bicycle, Arches becomes a land of endless surprises. Off in the distance, a dozen miles or so away, you can see a series of small rock arches jutting out from the side of what appears to be a low cliff. For the next hour, as you pedal closer, those small arches seem to get bigger. By the time you arrive at the foot of, say, Landscape Arch, you will be overwhelmed by its enormity; that arch rises more than 100 feet from the ground and spans an area the length of a football field.

The National Park Service has performed an admirable balancing act at Arches, providing just enough in the way of human services and information without intruding on the natural landscape.

Those critics who are convinced that government bureaucrats are always wrong would do well to compare the line job the Park Service is doing at Arches to the com-

mercialized development that private owners have indulged in at Virginia's Natural Bridge.

My last long bike ride out of Moab was the most varied of the lot. I set out to the northeast, on Kokopelli's Trail, a winding, up-and-down, back-country bike route that weaves through rocky canyons and sub-alpine forests over cascading mountain ranges for 128 miles between Moab, Utah, and Grand Junction, Colorado.

The trail is named for a wandering, hump-backed flute player, a magical being who played a role in the folklore of the Hopis and other Indian nations on the Colorado Plateau. It is organized and administered by the federal Bureau of Land Management. But like many modern governmental endeavors, it was built on a shoestring, using mostly volunteer labor of bikers and hikers.

Kokopelli's route is constantly changing. At some points it follows county roads along the Colorado; then it will wind off through the forest on a jostling jeep track or climb over high rocky mesas on hiking trails so narrow that your legs brush the rock walls on either side. It goes from an elevation of 4,500 feet (1,369 meters) at the start near Grand Junction, rises to 8,300 at the top of Beaver Mesa, just west of the state line, and then plummets back to 4,500 at the Moab terminus.

Near its midpoint, 60 miles east of Grand Junction, Kokopelli's bike trail crosses the Colorado near the ghost town of Alamo, Utah, on Dewey Bridge, the last suspension bridge in Utah. The span is an engineering marvel constructed in 1916 under specifications calling for a bridge strong enough to hold "six horses, three wagons and 9,000 pounds of freight." Today, of course, it serves mainly bicycles.

MY legs were shot by the time I reached Dewey Bridge, and my heart sank as I saw the trail ahead leading out of the river valley and curling steeply upward over a rock-strewn mountain. Just then a quick spring rain washed over the river basin, while a bright sun continued to shine over the tops of the western mountains. Rain and sun at the same time — I knew what that would mean. I looked up to the east and saw a brilliant rainbow arching across the Colorado River. As I watched, a second rainbow, somewhat dimmer, formed against the sky just outside the first one.

As the sun grew brighter, the concentric rainbows extended to full length, bridging the high canyon walls above my head. A double rainbow! There was an omen. Suddenly my legs felt fresh, my bike seemed to come to life and I pedaled on with new vigor toward Moab, the mountain bike mecca of the Western world.

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TRAVELLERS TIPS NO. 5

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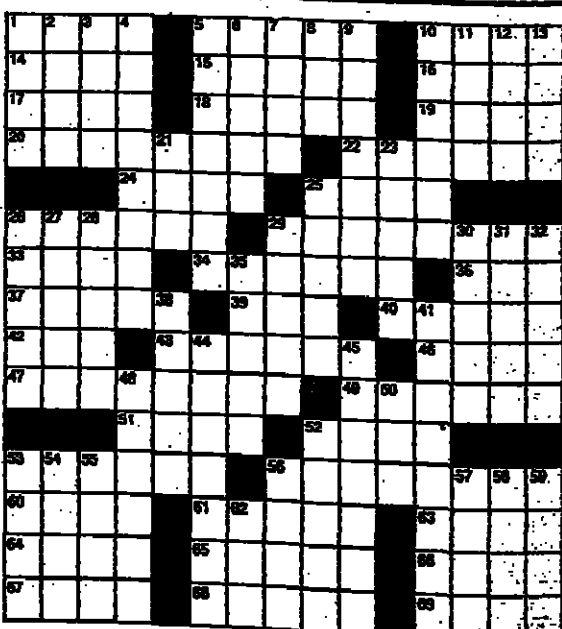
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- Actress Levin
- European precursor
- Godzilla's opponent in a 1963 film
- Dances like Valentino
- Protracted
- Dynasty noted for porcelain
- Wide-mouthed
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- Japanese religion
- Latin verb
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- Consumer advocate
- Present participle's suffix
- Where the bull does the throwing
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- Start of many a Gunther title
- "Marfan" author
- Medieval blade
- Island also called Ceram
- Ossining's former name
- Advertising bit
- Oleoresin
- Zeno's "classroom"
- Kleine Nachtmusik
- Actor Novaro
- Collar or coat type
- Cards
- Kingdom once ruled by Benny Goodman
- Fields-McHugh creation
- Famous panda
- is properly placed
- Action for Bunyan
- Loud sound
- Antiquity, in poetry
- Compiler of G.T.A., I.B.L., etc.
- Cramp or stab
- Tyson's milieu
- Render null
- Selves
- Heyerdahl's "Tid"
- Susan of TV
- Tropical fruit
- Icy
- Dress style
- Throes
- Paavo Nurmi was one
- Spokes
- Edit
- European fish
- Pluto's domain
- The heart is one
- Evaluate
- Catalaputs
- Action discussed by a hamatologist
- Effigies
- Med.-test result
- Jean Giraudoux protagonist
- Pour forth
- Sarah Battle's creator
- Ladder step
- Truck part
- "Tall" — the Mannes
- High time
- China's — of Four
- Father William's profession

Solution to Previous Puzzle

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DOWN

- Sailing maneuver
- Hunnish king
- Advance



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TRAVEL

Byron's Zagorian Trail

Continued from page 9

sional lynx. It is rugged country, but the wild scenery — awesome gorges, snow-capped peaks, tumbling trout streams, plunging waterfalls — is gentled in spring with fields of wildflowers including a variety that is called in Greek Wild Virgin Lily.

It is the only place on earth, Lord Byron says, that he was ever content. Like him, we left problems at home and all thought of them faded like the mist in the valleys as we climbed through groves of oak, birch and juniper, up to Vradeto, a village that can be reached only on foot. Here, especially in winter when the snow often blocks the windows and the mule track is impassable, life is lived very much as it was 100 years ago.

We picnicked in the town square and bought drinks from the tiny taverna fronting it. The proprietor showed us photographs of winter snows reaching to the rooftops. Both taverna and square were deserted, but before we had unpacked tomatoes, cucumbers, olives and feta cheese and bread from our knapsacks and composed our communal Greek salad (a daily ritual, an old woman in black dress and shawl arrived. A man followed, then another, and soon seven or eight villagers had gathered around us. They spoke no English and our Greek was sketchy, but the old woman made us understand that we were welcome, that she was born in Vradeto and that until she was 7 years old the Turks ruled the town. She said she had a son and daughter in Athens, but lived alone here "because it is more beautiful." Flowering fruit trees and neat vegetable gardens in stone-walled courtyards argued her point.

Although the ruggedness of the Pindus range has successfully turned back conquering armies and busloads of sightseeing tourists, it is not necessary to be a mountaineer or a rock climber to explore it on foot. Trails ranging from narrow footpaths to wide, cobbled mule tracks lead to all the important sights. Chief among these is Vikos Gorge, the Grand Canyon of Greece. Its towering 1,000- to 1,500-foot limestone walls (about 300 to 450 meters) stretch eight miles (12 kilometers) to the village of Papigou — our first night's stop. To walk from one village to the next takes from three to six hours and, although there are steep places and occasionally loose rocks underfoot, it should not be beyond anyone used to a good weekend's hike. The Greek Alpine club marks and maintains many of these trails and has provided for hikers an alpine hut on the saddle between Mount Asirakas (7,900 feet) and Gamila (8,330 feet).

Our climb from Papigou to the mountain hut was the most demanding part of our trip. It took about four hours, and for the first time we had to carry our food and cook it rather than dining in tavernas. In these remote parts, villages predate automobiles and so they are almost always a day's walk apart. And in every village, no matter how small, there is — as

Byron says — a taverna where the traveler could be sure of food and wine and welcome.

Accommodations on the trip were a mixture, but always modest: mostly in small rooms either in a local taverna or in guest-houses. Typically there would be a shared bath or shower down the hall. The places we stayed in were, without exception, scrupulously clean. The trip leader brought the makings of breakfast, because we would usually have an early start. We often ate out in the courtyard, with coffee made on a sterno stove, fruit and bread.

However, if you believe Hobhouse, Byron's companion (and a big complainer), Zagorian cuisine must have improved mightily since the poet's day. In village after village, we had no complaint. Our chicken was roasted to perfection. Hobhouse says theirs was "done to rags." Our tomatoes were red-ripe and flavorful. Stuffed eggplant was delicious. Meals usually consisted of bread, Greek salad, soup, lamb or chicken grilled or roasted or stewed with vegetables; sometimes moussaka, sometimes stuffed tomatoes or eggplant, sometimes an omelet. We almost never had dessert. Everything we ate was fresh and unadulterated.

One day, based in Tespeleovon, our group went farther afield and, in get back in time for dinner, we decided to rejoin the paved road and take a 4 o'clock bus back. (When you have climbed Gamila, you feel entitled to take it easy — and we'd been promised hot water if we arrived before 6:30 P.M.) But delaying 5 minutes here, 10 minutes there, to take a photo or identify a wildflower (Greece is said to support more than 6,000 species) we missed the bus. There was nothing for it but to walk. No problem. After the rough trails of the day, it was pleasant to stride along a smooth road.

THE sun had faded and wisps of mist floated like chiffon scarfs among the limestone crags. The day, even after 4, was warm and windless. Suddenly, as if the mountains were cracking open, there was a tremendous clap of thunder. I remembered that Byron, having lost his way enroute to Zitsa, had encountered a violent thunderstorm that terrified his English valet.

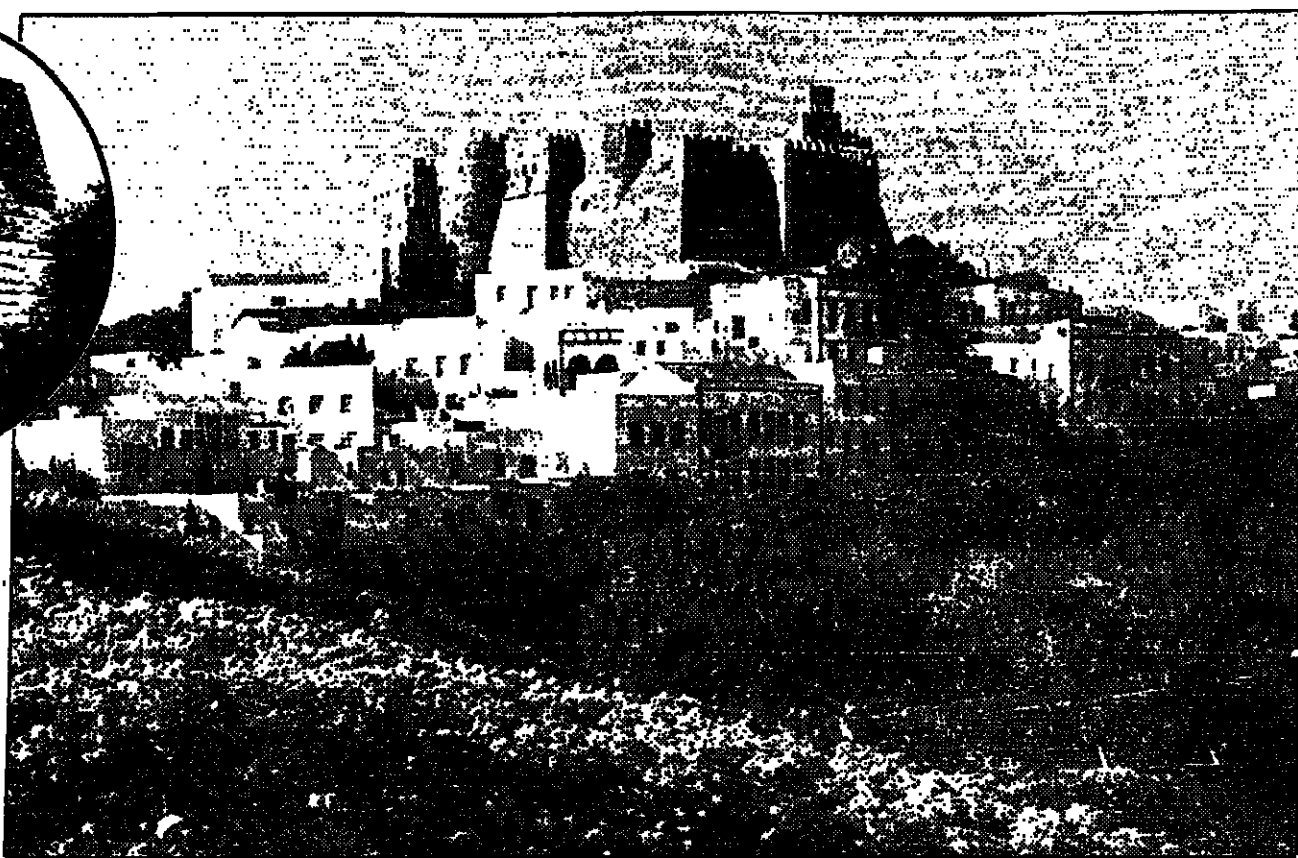
The sky blackened and, to our astonishment, we were pelted with gigantic hailstones. Perhaps these mountains are magic, for our group, tired and hungry, was seized with laughter. We scooped up handfuls of hailstones — no easy task as they skittered and bounced on the asphalt. We threw them in the air, at each other, off the cliff.

Finally, we got our ponches out, put them on and headed for town. When a bread truck stopped to give us a lift we got in a little reluctantly. Although we didn't wish to emulate the poet to the extent of getting influenza, we were somehow loath to return to the simplicity of village life.

Elise MacLay, the author of "Green Winter: Celebrations of Later Life," wrote this for The New York Times.



The Tower of Theseus at Troezen, above, and the Monastery of St. John the Divine, looming above Hora, on Patmos.



Photograph by Susan Matheson for The New York Times

The Greece of Myth and Hades

Continued from page 9

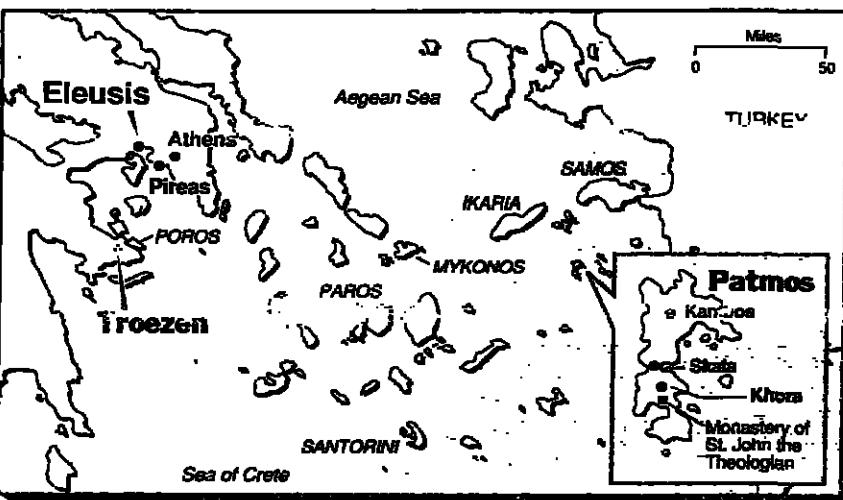
morning, John said a prayer, the sorcerer plunged into the sea with a triumphant yell, and three days later the populace dispersed, having waited long enough for his reappearance. A red buoy, 200 yards west of the point where big ships now dock at Patmos, marks the spot where supposedly it all happened. Just beneath the surface is a rock some say is man-shaped: Kynops, petrified in mid-dive by St. John 1,900 years ago.

KYNOPS's other relics are harder to find. In the extreme southwest of the island there's a rocky cape named after him that local fishermen have sometimes said smells of brimstone, smokes during storms and echoes with what one late-19th-century American traveler reported as "awful sepulchral noises." Somewhere in the mountain above, Kynops and his demons lived in a cave that the same writer, William E. Geil, found it impossible to persuade any Patmian to visit with him. People had gone mad or blind just by venturing nearby, he told. One man had been lowered inside on a rope, and had been drawn up dead. It was the Devil's home.

These days discouragement takes a somewhat different form. No one wants to go there, they tell you; it's a tough journey, and you need mountain boots; it's a mining area, unattractive and perhaps dangerous. True, the track to Mount Penoupa, or Kynops, does get rougher, the terrain becomes starker and rockier, and a bit later one's way up is blocked by a wire fence and an old, scrawled sign, "explosives."

Still, there's no sign of men at work, or of any human activity. All is utterly silent. It seems a pity not to explore a little more, and it's possible to sneak around the side of the wire, and clamber in your walking shoes up toward what does indeed appear to be a cave, though lower than the map has seemed to suggest. Perhaps that's where demons were posted as sentries by Kynops. Suddenly an enormous black goat peers out of its stony mouth. Is it curious, frightened, grouchy, hungry or what? Somehow it doesn't seem particularly tempting to discover.

A wasted walk, then? By no means. As you return, look down and to the right; and there, far below, is a white-domed church by the seashore, and the bay curling beyond it. Take the long, high way back to Hora, and



The New York Times

there are the hills and caves and peninsulas of Patmos coiled out to the north; and beyond them the island of Icaria and the mountains of Samos in silhouette; and to the right, visible if you screw up your eyes, the coast of Turkey; and everywhere, of course, that preposterously blue sea and painfully blue sky.

Why is Eleusis, as important and accessible a classical site as any in Greece, so neglected by visitors? For one thing, the 14-mile route there from Athens is rather different from the one taken by Sophocles and Pericles and just about every citizen of standing in the glory days. It is still called the Iera Opos, or Sacred Way; but where there were formerly fertile fields, you now see junk shops, motorbike stores, tire warehouses and seedy slabs of gray concrete posing as houses. For another, Eleusis itself has become a pretty charmless industrial town specializing in petrochemicals. You can stand in the holy of holies, the most reverently regarded spot in all Greece — and, if you look the wrong way, see tall chimneys adding to the already notorious pollution of Attica.

But there are better ways to look. Leave the street, walk a hundred yards into the Sanctuary of Demeter. To your right is a great hollow cavern, in whose orange and

gray stone are ragged slits leading — well, where? This is the Plutonium, sacred to the king of the Underworld and a much better known entrance to his dominions than the gorge at Troezen. It is the center of the story that brought the Eleusinian Mysteries into being, at a date early enough for both Heracles and Theseus to attend them, and almost certainly by the year 1350 B.C.

HADES, or Pluto, fell in love with Core, daughter of Demeter, goddess of agriculture. With Zeus's acquiescence, he came in a chariot drawn by black horses to find the girl happily picking flowers and to take her slinking down to Tartarus, it's said, from this very cavern. At any rate, her mother wandered the earth distractedly looking for her, and eventually ended up at Eleusis, where she entered the king's service, disguised as a nurse. There she learned the truth, which so angered her that she made the world barren and threatened humanity with extinction. Zeus, afraid of being left with no one to sacrifice to him, ordered Hades to give back Core, and told Demeter she could keep her, provided she hadn't tasted the fruit of the dead.

Predictably enough, Core had finally broken what had become a long hunger strike. She ate the seeds of a pomegranate in Ha-

des's orchard. It required all Zeus's ingenuity to organize a compromise. Core was allowed to spend nine months a year with Demeter, but had also to rule for three months in Tartarus as Persephone. Hades's kind was saved — and eventually showed his gratitude by suspending wars, temporarily halting lawsuits and other official business, and for nine days every September immersing itself in the worship of Demeter.

It all culminated in rites just beyond the cavern at Eleusis. Here at least you are walking along the same Sacred Way with those ancient pilgrims trod as they neared the end of their journey. You pass the ancient polygonal well where Demeter rested after her desperate wanderings, the rough gray slab or "mirriless stone" where she sat and mourned, chunks of marble masonry engraved with her symbol, the poppy — and you end up in her temple, or telesterion, which these days is a great stark square with seats cut into the rock at one end and a small rocky altar in the center. To approach this

sanctum if you weren't an initiate was a capital offense, as was revealing the events that occurred inside it. The dramatist Aeschylus was nearly lynched because he was suspected of telling too much in a tragedy: the wild Alcibiades was condemned to death, then reprieved, for mocking the Mysteries. It is thought there was a dramatization of the Core story, complete with a graphic evocation of the horrors of Hell: but to this day no one can be sure.

The Mysteries survived into Roman and even Christian times. In A.D. 400 the last champions of Demeter were still at Eleusis, still desperately keeping her cult alive. Today one can wander through the poppies and the grass, past the ancient steps and the truncated columns, identifying as best one can the temples of Artemis and Poseidon and all the other buildings — and maybe ending among the pots, statues and friezes to be found in the small but rewarding museum on the hill above. As hell mouths go, it is a serene sort of place. The real Tartarus, perhaps, is the noisy, smoky town outside.

Benedict Nightingale, newly appointed chief theater critic of The Times of London, visits Greece frequently. He wrote this for The New York Times.



A bridge at Kipi in the Pindus Mountains.

Mike Ferraro

Cuban Punch: A Vital Culture in a Recycled Economy

by Matthew Robbins

RECENTLY I found myself fondling a dollar bill of such limp antiquity that it called the entire concept of cash into question. This tattered greenback had been in circulation since the late '60s, but were it not for its privileged isolation on the island of Cuba, it would long ago have been incinerated.

Yet here it was, in a Havana *diplomatenda* — a shop open only to foreigners — being passed from hand to hand and enjoying the esteem of its bearers.

Also enjoying esteem throughout the island was another American symbol, the tail fin. Cars made in Detroit, like dollars printed up north, were ubiquitous but similarly ancient. Old De Sotos and Kaisers trundled by on tall, halting tires. They felt like old friends, these cars, so touching in their two-tone postwar assertiveness. I was shocked to learn that some of them are powered by Russian engines.

It was strange to be one of the few Americans in Havana, where decaying cars, dollars and hotels stood so eloquently for the vanished American presence. A U.S. embargo generally rules out visits by American tourists.

I met only three other gringos during my two-week stay in Cuba in October, as a teacher in a screenwriting workshop organized by Robert Redford's Sundance Institute and Gabriel Garcia Marquez's International School of Film and TV.

But I found the culture, 30 years after the revolution, still touched by the United States, although there is a peculiar Russian veneer as well. I was housed in a two-bedroom apartment with kitchen and bath, part of the student dormitory of the film school an hour southwest of Havana.

The town was called San Antonio de los Baños. Here, nationwide food shortages, combined with old-fashioned institutional cooking, made the cafeteria meals a dreadful prospect. I wound up shopping for food at the *diplomatenda*, the most visible sign of the dual economy.

There were several of these shops for foreigners around Havana. This one resembled a miniature, slightly threadbare May Company. The thoroughly unremarkable merchandise was made special by its unavailability elsewhere on the island. I located the food section and laid in a good supply of Italian pasta, Romanian tomato sauce and cheese of unknown origin.

Within a matter of days, I acquired three new additions: rum (Cuban and Nicaraguan), cigars (Havana puros, of course) and thick, sweet Cuban coffee. With a nervous system assaulted by alcohol, nicotine and caffeine, I set out to see something of Cuban life. I drove a Lada, made in the Soviet Union. Here, surrounded by the real old Detroit iron, the poor thing reeked of Soviet ersatz modernity. I hustled for a ride in one of the Buick dinosaurs that lumbered by.

My newfound interest in rum and cigars could be traced to the parties that kept

springing up. Even the most intellectually forbidding faculty would jump up and start executing crazy salsa steps, as if it were midnight on New Year's Eve. I too got dragged onto the dance floor, even though, officially, I don't dance. No one cared — they were too busy living it up until dawn.

EVERYBODY, it seemed, loved to dance. One day a Colombian filmmaker took us to a neighborhood courtyard where hundreds of on-lookers gathered every week to watch a demonstration of the rumba, a dance of the past. The dancers, dressed in white, were all past 70, and comported themselves with gracious dignity — keepers of the flame.

The racially mixed audience was intent, thoroughly involved with every moment, and generous with laughter and applause. They were proud of their dancers, and this self-regard, I discovered, applied to the other arts as well.

At a brightly lit serigraph workshop near old Havana, dozens of art students cranked out beautiful prints by Mendive, one of the city's best-known artists. These kids had been at it all day, and, with evening approaching, they were munching sandwiches and downing beer, clearly intending to work all night in preparation for an exhibition and festival that would begin the next day.

Although I had walked in with no warning, I was received as a special guest, handed a glass of rum and given a grand tour.

The artwork emerging under the serigraph frames was a lively mix of Surrealism and Symbolism. But there was no Socialist Realism in sight.

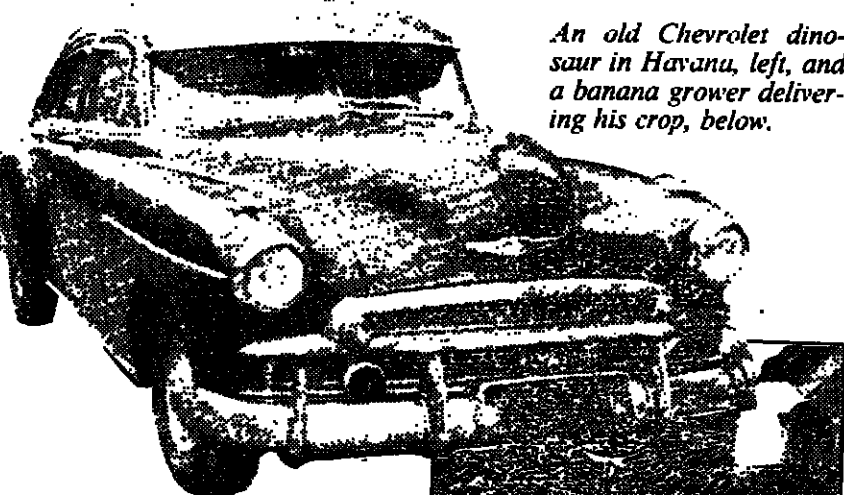
In New York, where anyone can buy a can of paint, the once-ubiquitous subway graffiti became a visual symbol for the city as a whole. In Havana, where there is no paint to buy, the buildings are literally flaking and peeling away. If you rarely think about something as mundane as paint, its complete absence comes as a shock, just like the graffiti. I heard somebody say that the only paint available is made in East Germany and that it's no good. So the once stately homes, now surrounded by wild, uncut grass, are slowly falling into ruin.

If the Cubans are unable to pay the upkeep on much of the splendor that was prerevolutionary Havana, there are, nevertheless, a few symbols, like the cars, that are not allowed to die. The Tropicana cabaret, another monument to the '50s, rolls on with unchecked flamboyance. At this socialist nightclub under the stars, hundreds of carefully matched girls and boys put on a Vegas revue for goggle-eyed visitors, many of them from Eastern Europe. The Tropicana was created in 1939, and the show I saw celebrated the five decades of its kitsch.

Someday the American embargo will be lifted, and trade will resume.

It is easy to imagine the quaint streets of Cuban cities filling quickly with all the familiar American franchises.

It is easy, too, to wince at the thought of



An old Chevrolet dinosaur in Havana, left, and a banana grower delivering his crop, below.

the probable success of this impending invasion (with its ironic contrast to the Bay of Pigs).

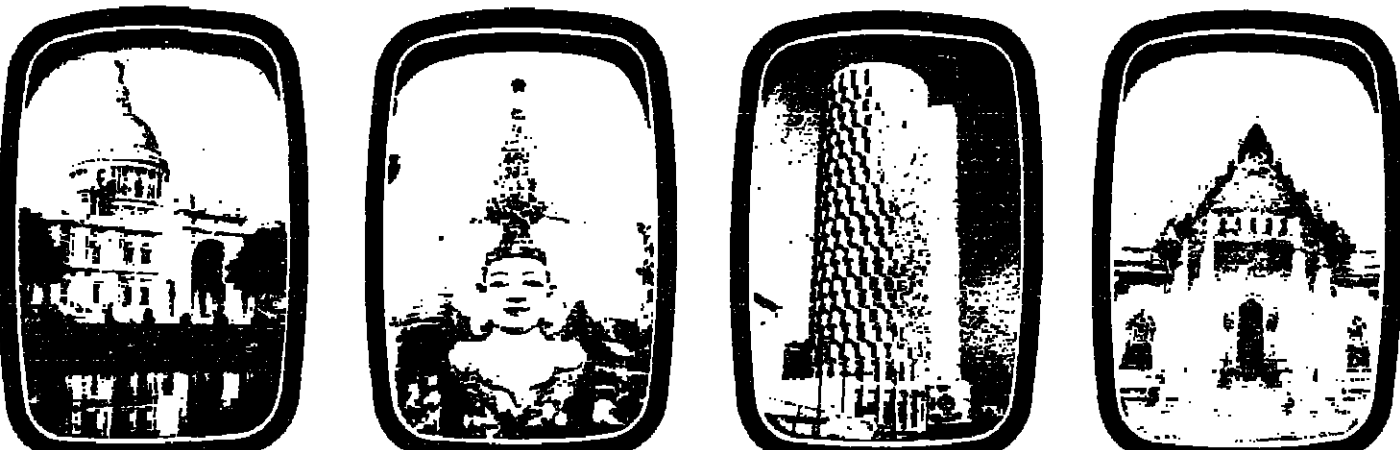
But the Cubans have been forced to be ingenious; they know what it means to recycle. They are not distracted by merchandise, not the way we are: they look to their culture as a source of vitality.

It could be peculiar, and even a bit condescending, for a comfortable American to envy such an impoverished and struggling people, but in some ways, I do.

Matthew Robbins, a writer and director who lives in San Francisco, wrote this for The New York Times.



Judith Rance



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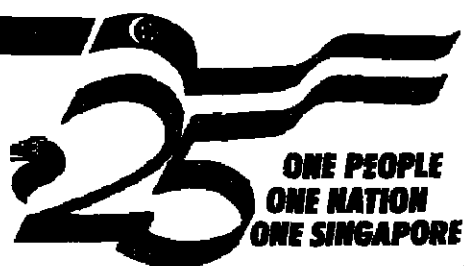
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SINGAPORE

High-Tech Revolution Is Everywhere

"Twenty-five years ago the high-tech industry in Singapore didn't exist," says Lim Swee Say, general manager of Singapore's National Computer Board (NCB). "Most of us were not yet in the work force."

Today, all that has changed. After Japan, Singapore now has Asia's highest concentration of high tech, which can be found in almost every aspect of society, from multinational corporations down to sidewalk hawkers stalls. And high-tech components are now one of the most important exports.

During the 1960s and early '70s, the use of high tech was limited to data processing in a few large orga-

70% of Singapore's firms use information technology

nizations and some government institutions. The number of professionals involved was small, and their jobs were confined to batch processing and back-room operations. "To the general public, the use of computers would have been something quite transparent," says Mr. Lim.

"Then you have to look at today," he continues. "Based on our estimates, about 70 percent of companies with more than 10 employees are using information technology [IT] in one way or another. They will at least have personal computers in their offices."

"IT has become highly visible in the eyes of the public. It's no longer only the professionals in the computer room who have access to computers."

Singapore has become one of the world's largest manufacturers of such computer-related products as disk drives, tape drives, printers, printed circuit boards, transistors and semiconductors. High-tech manufacturing was worth \$51.2 billion (US\$630 million) in 1989, an 18-fold increase over 1980 (\$569 million) when the government first

became interested in promoting high-tech industry and innovation. Over the last decade, the industry has been growing an average of 30 percent a year.

"The nature of [high-tech] business activities at that time [1980] was mainly in marketing and trading," says Mr. Lim. "Companies in Singapore would import software products and sell them in the local markets. If you look at the industry today, I would say there is a big difference, especially in terms of industrial revenue. If you look at the number of professionals involved in the industry, it has gone up from 850 in 1980 to about 10,000 today."

The list of international firms that manufacture components in Singapore reads like a who's who of the computer industry: IBM, Unisys, Hewlett-Packard, Xerox, Apple, Nixdorf, Ashton-Tate and Data General, to name just a few.

In many respects, Singapore is becoming the Silicon Valley of Southeast Asia as more and more international high-tech and electronics firms shift their regional focus here.

West Germany's AEG-Modicon, one of the world's largest makers of programmable logic controllers (PLCs), has established a new service base in Singapore to provide high-level technical support for customers in the Asia-Pacific region. Another German firm, W.C. Heraeus, announced in March that it was entering a \$510 million joint venture with Singapore Technologies Industrial Corp. to build the island's first plant for the manufacture of leadframes for integrated circuits.

Fuji Electronics, a major Japanese manufacturer of electrical and electronic products and precision components, has set up a support office in Singapore, while Fujitsu

has established a new software development center on the island.

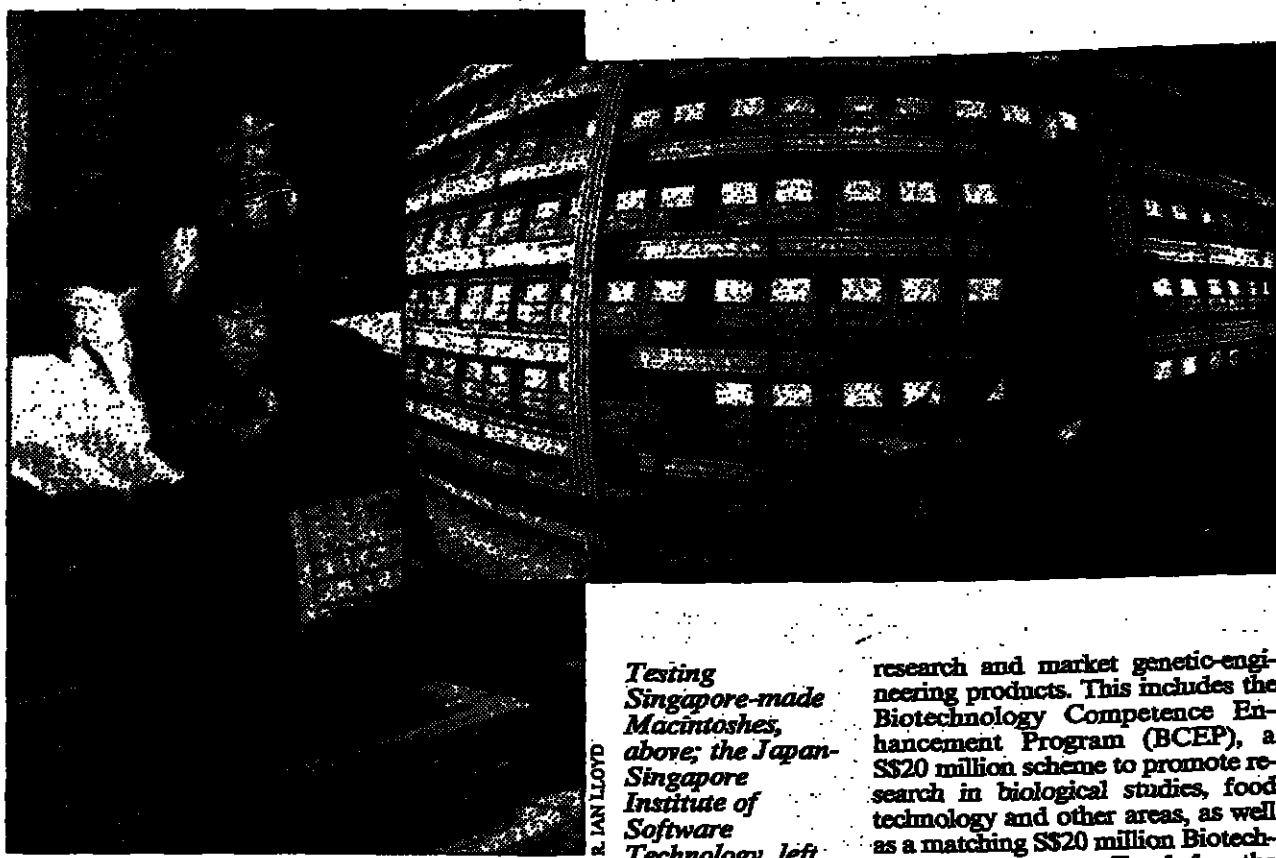
Both the Japanese and Singapore governments seem to be pushing for more high-tech cooperation. The Japan International Cooperation Agency (JICA) has slated the island as a high-tech education center because of Singapore's excellent training infrastructure and computer skills, and the fact that English (Singapore's national language) is the lingua franca of the worldwide computer industry. As a result, the Japan-Singapore Institute of Software Technology is likely to receive more funding from Tokyo by the end of this year to grow into a regional center for information technology.

During a recent meeting with Singapore Trade and Industry Minister Lee Hsien Loong, Japanese Minister for International Trade and Industry Kibun Muto said that Japan would also consider the prospects of training Singaporeans in other new aspects of electronic technology.

"Over the years we've gone way beyond just trading and marketing support," says Mr. Lim of the NCB. "Increasingly, we are moving toward research-and development, meaning that we are encouraging both multinational and local companies to develop software products for the world market in Singapore. At the same time, we are also encouraging them to use Singapore as their software research base — a node in their global research network."

Besides being a center for software and computer-component manufacture, Singapore is a place where high-tech innovations are constantly being given new uses.

This month, a new Tiger Brewery and F&N soft-drink plant complex opened in Tuas. The \$280 million facility, designed to operate with



Testing Singapore-made Macintoshes, above; the Japan-Singapore Institute of Software Technology, left.

minimal human labor through the use of computer-integrated manufacturing, has been described as the most advanced beverage factory in the Asia-Pacific region. A Honeywell automation system controls specific functions of the brewing process, as well as beer racking, canning and bottling, while a Hewlett-Packard brewery information network handles quality control, stock taking, engineering and maintenance management. In addition, an entire floor of the plant has been given over to research laboratories and pilot plants for future beverage products.

DHL has unveiled a high-tech conveyor belt system at its Changi Airport air express hub. The Singapore-made machine can sort 5,000 packages an hour, 70 percent faster than manual handling. DHL announced that it will spend \$584 million over the next two years to up-

grade its computer systems and other aspects of automation.

On a smaller scale is the \$535,000 automated dishwashing unit that has just been installed at the Garden Food Center in Marina South. It cleans dishes for the 41 street-food stalls that operate in the area, eliminating the buckets full of dirty dishwasher that used to be a common sight.

There's even something for tourists in the high-tech arena: a new "video wall" in the departure/transit lounge at Changi Airport will telecast a mixed bag of music, sports and documentary programs from 6 a.m. to midnight.

Meanwhile, the government has decided to diversify its high-tech strategy into other areas.

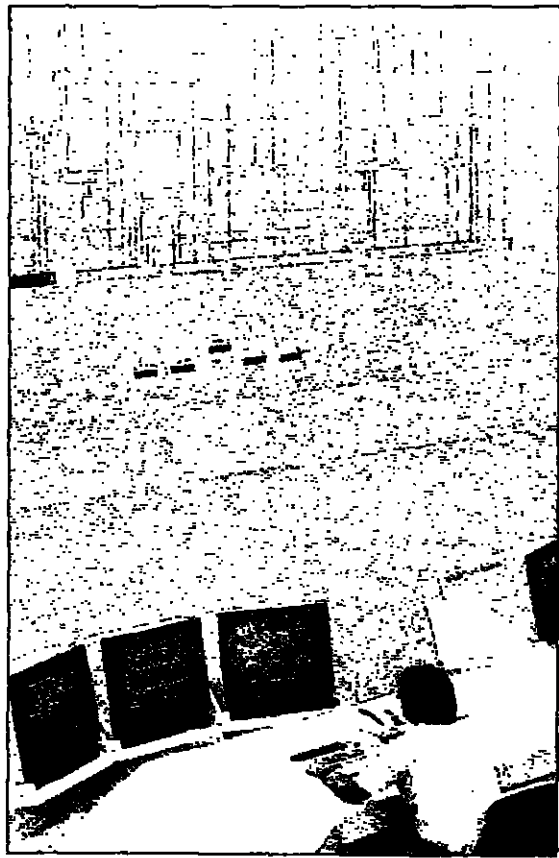
At the beginning of May, the Economic Development Board announced the National Biotechnical Plan, a comprehensive scheme to

research and market genetic-engineering products. This includes the Biotechnology Competence Enhancement Program (BCEP), a \$520 million scheme to promote research in biological studies, food technology and other areas, as well as a matching \$520 million Biotechnology Investment Fund for the start-up of new biotech firms and the development of strategic alliances to access biotechnology.

In line with Singapore's goal to promote high-tech commerce and innovation, the government is sponsoring Singapore 2000/Global Technopolis, which is expected to draw more than 400,000 people to the Changi International Exhibition Center from June 7 to 24. This comprehensive exhibit will showcase the cutting edge of technological development. Among the exhibitors will be AT&T, Sony, NEC, Motorola, Telecast, Singapore Telecom and the NCB.

High-tech and electronics industry partnerships will be examined as part of the Singapore Global Strategies Conference, June 4-6. Among featured speakers will be John Young, president and CEO of Hewlett-Packard, and Tadahiyo Sekimoto, president of NEC.

THE PUBLIC UTILITIES BOARD THE POWER BEHIND SINGAPORE'S PROGRESS



The Public Utilities Board (PUB) is responsible for the supply of electricity, water and piped gas. Established in May 1963, it provides Singapore with an efficient and reliable supply of these utilities at the most economic price. Today, the Republic enjoys a standard of utilities supply rated among the best in the world.

In line with the national marketing strategy to position Singapore as an internationally competitive global city with a total business orientation, PUB aims not only to provide infrastructure facilities (in terms of public utilities) as good as any developed country but also to maintain a competitive advantage in order to attract businesses to invest in Singapore.



The PUB has made significant in-roads towards achieving this objective. In the World Competitiveness Report 1989 the extent to which Singapore's power supply infrastructure has been developed for the needs of companies competing internationally has been ranked as Number 1 among Newly Industrialised Economies. Compared with other electricity supply utilities, the reliability of Singapore's electricity supply is on par with the best of the developed countries.

PUB's development programme is geared towards the provision of electricity, water and gas supply at the most economic rates which are competitive with other utilities corporations in East Asia. The Board has also invested heavily on plants



and equipment to give customers maximum security of supply by provision of economic reserves of standby generating plants and production capacities and by according highest priority on supply reliability.

In the last three years, the Board spent \$861 million to further strengthen reliability of utility supply and upgrade overall efficiency. In the next five years about \$4 billion will be invested on development programmes.

Our customers have come to depend on our professional service and commitment to continually invest in new ideas and technologies to supply efficient and reliable utilities.



A Q
OF

Utilities

A Month
Festivals

A QUARTER CENTURY OF TECHNOLOGY



Microchip manufacturing, left; CAT scanner in use at the National University of Singapore Hospital, above.

Utilities: Smaller Staff, Lower Costs

Singapore's utilities infrastructure is among the best and most sophisticated in the world. Yet barely 30 years ago, it still resembled that of the 19th century.

In the 1950s, many of the streets were still lit by gas lamps. Gas and electricity were generated from coal transported to the works in cumbersome wooden barges that resembled Chinese junks. Most of rural Singapore — the majority of territory in those days — received its water from community standpipes.

Barely three decades later, the progress has been phenomenal. Today, Singapore's electricity system

ters, and per capita piped-gas consumption from 85 to 264 units per year. At the same time, the number of registered PUB patrons has increased fourfold, from 197,000 to 847,000 customers.

Despite this rapid growth, the PUB has cut its work staff. Because of improved technology, the number of public utilities employees has dropped by nearly 25 percent in the last ten years.

"We have been able to achieve this because we were able to make use of high-technology innovations in recent years," says Mr. Lee "Besides being able to respond to increasing demand, we have been able to see improvement in the reliability of supply as well as enhancement of customer service."

Practically all aspects of Singapore's public utility operations are now computerized, from the portable data entry terminals used in the field for meter reading to the supervision of entire utility grids such as the high-tech Power System Control Center at Ayer Rajah. The system, which monitors and controls electricity generation and transmission systems, enables optimal generation at the most economic cost. As part of the center, the computer-based Supervisory Control & Data Acquisition System (SCADA) allows immediate detection of failures and quick restoration of power supply by remote switching to alternative cables.

Computers are also the driving force behind the Water Supply Sys-

tem Control Center and the Gas Telemetering System. They are also used in various aspects of planning and administration, including customer service, inquiries, billing and mapping.

High technology is also featured at the various generating plants. Advanced high-pressure and high-temperature steam boilers and turbo-generators have been introduced at Singapore power stations in recent years, while advances in high voltage engineering have been incorporated into electricity transmission and distribution substations.

High tech will also feature strongly in the S\$9.9 billion (US\$5.27 billion) investment in utilities slated for the next decade.

This will include a S\$163 million extension of the water supply network and of the remote monitoring and supervisory control system; a further S\$57 million extension of the gas supply network in all new public housing estates; development of the S\$1 billion Pulau Seraya Power Station Stage II, which will add another 750 megawatts of generating capacity; and the addition of four new gas turbines at Senoko Power Station.

Despite a massive investment in high technology, the PUB still turns a profit. The profits are either plowed back into more high-tech development or passed to the consumer in the form of lower utility rates. For example, in 1988 the PUB financed 89 percent of its development projects through operational profits.

Labor and Government: Dynamic Duo

Working hand in hand, government and labor have established greater social harmony. But problems remain — in the form of labor shortages.

Before independence, Singapore was racked by a series of labor disputes, with thousands of workers striking for higher wages, better conditions and the release of imprisoned trade union officials. Some of the demonstrations turned violent, resulting in deaths and injuries.

A quarter of a century later, the National Trade Union Council (NTUC) celebrated May Day 1990 with a show-biz style workers' page-

reason for the nation's economic miracle since 1965.

Mutual admiration aside, there's little doubt that Singapore would not have been able to achieve its prodigious growth without close cooperation between government and labor. This amiable relationship explains why Singapore has been able to avoid the industrial unrest that has plagued other rapidly developing Asian nations.

Over the years, the Singapore government has launched a number of programs and strategies aimed at improving the lot of the average worker.

After independence, the government established a compulsory national superannuation scheme called the Central Provident Fund (CPF). Every month, workers contribute 23 percent of their income to the fund, an amount matched by their employer. This is primarily a retirement and disability fund, but the money can be used to purchase a government flat or house — which is one reason why Singapore has one of the world's highest rates of home ownership.

In 1979, the government started the Skills Development Fund to support the reeducation of workers from low-tech to high-tech industries. A corrective wage policy from 1979 to 1981 increased average salaries by more than 54 percent. From 1979 to 1983, government spending on education rose from S\$32.7 million to S\$374 million per annum, most of it earmarked for vocational training or the establishment of new technical schools.

One of the latest government efforts to upgrade the nation's labor force is the Singapore Institute of Labour Studies, scheduled to open its doors in August. The school will offer a two-year degree course in industrial relations and provide re-

search facilities for work-related issues.

The government has also identified job skills that will be in high demand during the 1990s and early 21st century — biotechnology, retrofitting of old or historic buildings, information technology and various types of design, including graphics and fashion — in an effort to channel talented students into those careers.

Still, Singapore is not without its labor pains.

The most serious problem is a labor shortage that grows worse every day. Singapore simply cannot generate enough home-grown workers to match its 10 percent annual economic growth. Foreign nationals already comprise over 10 percent of the work force, and this number is likely to increase in the wake of the government's recent easing of entry restrictions for overseas workers.

The government's greatest worry is that competition for skilled workers will push wages up, outstripping increased productivity and leading to higher prices for Singapore's goods and services.

Singapore's tiny population of only 2.5 million people is the primary reason for the labor shortage. Another is the increasingly high level of education, which results in higher job expectations. Singaporeans no longer want to do menial labor or work in certain parts of the service industry such as restaurants. More and more aliens must be imported to carry out these tasks.

Meanwhile, Prime Minister Lee exhorts his people to work even harder. "One danger is complacency leading to a slackening in our efforts to upgrade ourselves," he told the nation on May Day. "We need to have better work attitudes. And we need more and better training to improve technical skills."

Most public utilities have now been computerized

is rated on a par with the top systems in the world — Sweden, France, West Germany and Switzerland — while a 1989 report ranked the island republic's power supply infrastructure the best in the world, along with Canada's.

"In the early '60s, electricity, water and gas were only available to the main town and suburban areas," recalls Lee Yong Siang, chief executive officer of the Public Utilities Board (PUB). "Over the last 25 years, we saw a building up of an extensive infrastructure for production and distribution to support the nation's economic development."

Since independence, Singapore's hunger for utilities has increased much faster than the world average. Per capita electricity consumption has grown from 480 to 4,725 kilowatt-hours, per capita water consumption from 68 to 115 cubic me-

Mrs Kandinsky Is One Tough Customer. How Do You Make Her Day?



If you're going to satisfy Mrs Kandinsky, you'd better come up with something special.

In Singapore, we call it customer satisfaction. Our CEOs instill the idea in all their staff. Not just the staff who deal with the public, but everyone who plays a part in bringing a product or service on the market.

The idea is, every worker has a customer to satisfy — the next worker in the chain of production.

And if every worker satisfies the next one, quality gets passed down the line.

That in turn leads to higher standards, better products and greater satisfaction among end-users. People like Mrs Kandinsky.

Make your product in Singapore and you could make her day.

Another Satisfied Customer
NATIONAL PRODUCTIVITY BOARD SINGAPORE

A Month's Worth of Festivals and Events

Community Week — May 20-27. Singapore's multiracial heritage is the focus of this nine-day festival of exhibitions and entertainment, which will kick off with an open-air "Unity Chain" (May 20) comprising thousands of people holding hands.

Merlion Week — May 25-June 3. Traditional start of the Singapore summer, this is a week-long binge of fireworks, fairs, food and fashion. Climax of Merlion festivities is the World Invitational Dragon Boat Race on Marina Bay (May 26-27).

Festival of Arts — June 1-30. Culture vultures from around Asia will be flocking to Singapore to see more than 60 international and local acts featured in this biennial festival. Big names this year include the Alvin Ailey

dance troupe from New York, the Children's Art Theater of China and the Leningrad Philharmonic Orchestra.

Global Strategies 1990 — June 4-6. Major conference at Raffles City Convention Center to discuss the importance of forging strategic partnerships to achieve sustained economic competitiveness. This forum will include many prestigious international speakers.

Singapore 2000 (also known as Global Technopolis) — June 7-24. This futuristic spectacle at Changi International Exhibition & Convention Center gazes into the 21st century to see how technology will affect our lives both at home and at work. In addition, the show will focus on Singapore's expanding role in the high-tech world.



When in unfamiliar territory...

You know how it is when you are in a faraway land. Especially when it's your first time in an unfamiliar place.

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This advertising section was written by Joseph R. Yogerst, a Hong Kong-based free-lance writer.

The next installment in the series of advertising sections on Singapore will appear on June 4 and will focus on communications.

Blossom
WALL STREET
Bank of First
Question Pro

CURRENCY RA

INTEREST RA

Emergency Depos

For Money Rates

NEW YORK

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Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

100 Most Active Stocks

High Low Stock Day's Price High Low

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MARKET DIARY

N.Y. Stock Prices
Climb to a Record

United Press International
NEW YORK — Stock prices resumed their climb on the New York Stock Exchange on Thursday after a one-day breather, setting their third record high of the week.

N.Y. Stocks

despite losing some of the sharp gains posted in early trading. The Dow Jones industrial average, which last 2.77 points Wednesday, rose 12.03 to close at 2,831.71, a new all-time high. Tuesday's record close was 2,822.45.

Among broader market gauges, the New York Stock Exchange composite index rose 0.35 point to 193.49 and Standard & Poor's 500-stock index added 0.47 to close at 354.47. The price of an average share rose 6 cents.

Advances led declines by an 8.5 margin. Big Board volume totaled 164.77 million shares, compared with 159.81 million shares traded Wednesday.

After setting record highs Monday and Tuesday, the market paused for some profit-taking Wednesday. But it was back on track from the opening bell Thursday, boosted by continued buying by money managers afraid of missing the market's rally.

"The first two weeks of this rally were very sneaky," said Alfred Goldman, market strategist with A.C. Edwards & Sons Inc. in St. Louis, referring to the market's string of gains in the first two weeks of this month. "Most people didn't realize we were in a lift but now investors who were sitting on the sidelines with cash have realized it and that's what's pushing the market up," he said.

Bond prices turned lower after further evidence that the Federal Reserve has not changed its policy on interest rates. Some analysts had thought it might move to lower rates fairly soon.

Dollar Rises on Data
And Pound Is Strong

Compiled by Our Staff From Dispatches
NEW YORK — The dollar gained against most currencies Thursday, despite the report of a widened trade deficit in March, while the pound drew strength on indications Britain would bring it

5.5570 French franc from 5.5480. But the pound gained to \$1.6930 from \$1.6800. In earlier London trading, it advanced to 2.7867 DM from 2.7603.

Sterling's rally was attributed to statements by John Major, chancellor of the Exchequer, suggesting Britain might soon join the European Monetary System's exchange rate stabilizing mechanism.

"With the possibility of the U.K. joining the ERM and their markets rallying, there's a lot of good money going into sterling right now," said Albert Soria, manager of Kansallis-Osake-Pankki.

In European trading, the Deutsche mark eased as dealers closed long positions after the Bundesbank left its credit policies unchanged. The Swiss franc also suffered from long liquidation after its recent surge, they said.

The dollar climbed in London at 1.6475 DM, up from 1.6419 DM, and at 152.40 yen, up from 151.80. It also rose to 1.4040 Swiss francs from 1.4015 and to

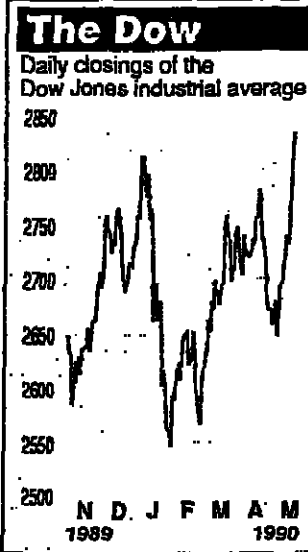
Foreign Exchange

into the Exchange Rate Mechanism of the European Monetary System. Traders said news that the U.S. trade deficit grew to \$8.45 billion in March from \$6 billion in February was neutral for the dollar. But others saw dollar gains on higher imports, hinting at economic strength.

"People bought dollars on the trade number because imports were higher than expected," said one New York trader. "So the economy is not as weak as people thought and interest rates won't be coming off."

The dollar rose to 1.6494 Deutsche marks from 1.6438 on Wednesday, and it gained to 152.15 yen from 151.85. It also rose to 1.4040 Swiss francs from 1.4015 and to

Via Associated Press May 17



NYSE Most Active

Vol.	High	Low	Last	Chg.
Alcoa	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10

AMEX Most Active

Vol.	High	Low	Last	Chg.
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10
Amgen	22.50	22.40	22.50	+0.10

NYSE Diary

Advanced	Unchanged	Declined
1,111	2,222	3,333

Amex Diary

Advanced	Unchanged	Declined
1,111	2,222	3,333

NASDAQ Diary

Advanced	Unchanged	Declined
1,111	2,222	3,333

Dow Jones Averages

Open	High	Low	Last	Chg.
2,831.71	2,831.71	2,831.71	2,831.71	+12.03

Standard & Poor's Indexes

High	Low	Close	Chg.
354.47	354.47	354.47	+0.47

NYSE Indexes

High	Low	Close	Chg.
193.49	193.49	193.49	+0.35

NASDAQ Indexes

High	Low	Close	Chg.
1,111	1,111	1,111	+0.10

AMEX Stock Index

High	Low	Close	Chg.
1,111	1,111	1,111	+0.10

Dow Jones Averages

Open	High	Low	Last	Chg.
2,831.71	2,831.71	2,831.71	2,831.71	+12.03

Market Sales

NYSE 4 p.m. volume	NYSE 4 p.m. volume
164,770,000	164,770,000

N.Y.S.E. Odd-Lot Trading

Buy	Sell	Chg.
1,111	2,222	3,333

Dividends

Company	Per Annum	Pay Rate
Amgen	1.111	2.222

Currency Options

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

European Commodities

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

London Metals

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

DM Futures Options

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Spot Commodities

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

U.S. FUTURES

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Grains

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Metals

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Livestock

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Food

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Zurich

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Stock Indexes

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Commodity Indexes

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Stock Indexes

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Commodity Indexes

Open	High	Low	Last	Chg.
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Open	High	Low	Last	Chg.
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Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

Commodity Indexes

Open	High	Low	Last	Chg.
1.111	1.111	1.111	1.111	+0.10

PacifiCorp Raises Pinnacle West Bid

PHOENIX (AP) — PacifiCorp, the Portland, Oregon-based utility, increased Thursday its offer to acquire Arizona's largest utility, Pinnacle West Capital Corp.

PacifiCorp also agreed to assume all of the debt of Pinnacle West and its subsidiary Arizona Public Service Co. as part of the offer. Steve Carr, a Pinnacle West spokesman, said the company's board of directors would "seriously consider" the offer.

Pinnacle West's board rejected three previous offers from PacifiCorp. The last offer, worth about \$1.7 billion in cash and securities, was rejected in March as inadequate. Under the new offer, Pinnacle West stockholders would receive \$21 in cash for each share. Pinnacle West stock surged \$3.75, to \$16.50 a share, on the New York Stock Exchange Thursday.

SEC to Quiz Milken on Thrifts

LOS ANGELES (Reuters) — The Securities and Exchange Commission plans to question Michael R. Milken about dealings by two thrifts, CENTRUST and Lincoln Savings, with Drexel Burnham Lambert Inc.'s high-yield bond unit, according to Richard Breeden, the agency's chairman.

Lincoln Savings, the Irvine, California-based thrift unit of American Continental, and CENTRUST of Florida have both been taken over by the Resolution Trust Corp. Mr. Breeden previously said Mr. Milken, the former head of Drexel's junk-bond operations, about his transactions, Mr. Milken has pleaded guilty to securities and tax violations.

"Two of the customers of Mr. Milken, institutions that dealt with the high-yield department [at Drexel], cost the government and FDIC hundreds of millions of dollars: Lincoln Savings and Centrust in Florida. And we'd like to know what happened," Mr. Breeden said.

Bank Cuts Payout Less Than Feared

NEW YORK (Reuters) — First Fidelity Bancorp's stock rose despite the bank's prediction of a large second-quarter loss and a dividend cut, because many people were relieved to find the news wasn't worse, analysts said.

The quarterly payout fell to 30 cents a share from 50 cents. "A lot of people had assumed it would be a lot worse, with perhaps the dividend being entirely eliminated," said Norman Jaffe of Fox-Pitt Kelton Inc. Stock of First Fidelity, New Jersey's largest bank, rose \$1.875, to \$19.50. First Fidelity said it would boost its loan-loss provision by up to \$300 million for the first quarter. Analysts said this would cause a quarterly loss.

Weak Truck Sales Cut Navistar Profit

CHICAGO (UPI) — Navistar International Corp. said Thursday that weak truck sales pushed its second-quarter earnings down 77 percent to \$8 million, compared with income of \$35 million in the year-earlier period.

Revenue for the quarter ended April 30 totaled \$1.03 billion, down from \$1.14 billion a year earlier. James Cotting, Navistar's chairman, said the drop was due primarily to an industrywide decline in retail truck sales. For the first half of its 1990 year, Navistar reported a net loss of \$10 million.

For the Record

Occidental Petroleum Corp. said it would sell oil and gas properties in the Appalachian area of the United States to Ashland Oil Inc. for \$107 million. Ashland is based in Kentucky, and the properties are mainly in that state and West Virginia. (Reuters)

Xerox Corp. is reviewing its strategy to maximize returns on its \$3.3 billion of investments in financial services, according to David Kearns, the company's chairman. (Reuters)

American Stores Co. said it would sell virtually all its Alpha Beta supermarkets in Southern California under the terms of an agreement with the state's attorney general. California had challenged the 1988 acquisition of Lucky Stores for \$2.5 billion on antitrust grounds. (Reuters)

American Telephone & Telegraph Co. said it planned to cut interstate and international telephone call prices by \$160 million a year. The cuts would affect direct-dialed evening calls and other services. (Reuters)

Banco Central Sells 4% Stake to Prudential Securities

Reuters

MADRID — Banco Central SA, one of Spain's biggest banks, said Thursday that it had sold 4 percent of its share capital to Prudential Securities of the United States. The stake was sold for 4,900 pesetas a share, which would yield a total price of about 19.4 billion pesetas (\$188 million).

The sale was the first arising from an agreement earlier this month between Banco Central and

Cartera Central in which the bank is to buy back, and then resell, 12 percent of its issued stock from the former unwanted suitor.

The agreement envisaged Banco Central buying back 11.9 million of its shares held by Cartera after the Spanish investment company gave up hopes of a takeover.

A bank spokesman said Prudential was expected to retain the block. Once Cartera had sold its whole stake, Prudential would be

the bank's second-largest shareholder after the French contractor Bouygues SA, with 4.5 percent.

The spokesman would not confirm Spanish reports that Prudential had agreed to place a further block of stock in New York and other North American markets.

"But you can expect more deals like this one to come through soon," he added, referring to a May 31 deadline by which Central must

pay Cartera close to 30 billion pesetas for half its stake.

Prudential acquired the shares at Wednesday's closing price of 4,900 pesetas. They closed Thursday at 4,850 pesetas.

Under the agreement Central must pay Cartera almost 5,000 pesetas per share. Analysts said after the accord was reached that Central would find it hard to place the shares at the price it agreed to pay Cartera.

WORLD STOCK MARKETS

Agence France Press May 17

Amsterdam

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Brussels

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Frankfurt

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Helsinki

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Hong Kong

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

London

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Madrid

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Milan

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Paris

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Sao Paulo

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Singapore

Open	High	Low	Last	Chg.
1,111	1,111	1,111	1,111	+0.10

Sweden Cuts Discount Rate

Stockholm — Sweden's Central Bank announced Thursday it was cutting its discount rate by one percentage point to 11 percent effective Friday, but said the country's relatively high interest rates were likely to remain in force.

Swedish market interest rates have now declined to levels that were being applied before the bank in February raised its overnight rate to around 15 percent amid a strike by commercial bank workers and a government crisis that led to heavy currency outflows.

"Yields have since fallen so sharply that we feel it's appropriate to cut the discount rate," the Central Bank governor, Bengt Dennis, said at a news conference.

The rate cut came as a welcome surprise to the Swedish credit market, where yields fell sharply in early trade. Half-year Treasury bill yields fell nine basis points to 13.10 percent in a hectic first half hour of

trade while five-year benchmark bond yields shed 13 points to 13.40 percent. They later recovered some of the losses, with half-year bills ending at 13.20 percent and the five-year bonds ending at 13.48 percent.

The Stockholm bourse also reacted favorably to the bank's action and the general index closed 0.9 percent higher in busy trade.

Sweden's discount rate follows, rather than leads market rates, which are driven by the bank's overnight rate. Mr. Dennis said Sweden would still have to live with relatively high interest rates compared with other countries.

A strong currency inflow caused by increasing foreign interest in the high yields offered by Swedish bonds and Treasury bills had prompted the bank to lower the overnight rate in stages, and then cut the discount rate, he added.

Mr. Dennis said Swedish monetary policy was facing a conflict

between defending the krona and stimulating investment at home.

"Monetary policy is being increasingly focused on currency flow and the Swedish krona, creating a conflict between the need to keep interest rates low to stimulate investments and the need for high rates to keep a balanced currency flow," he said.

Mr. Dennis said the higher rate was needed in February, by tightening credit then, the central bank defended the Swedish krona and reversed an alarming hemorrhage of funds out of the country.

But the high interest rates dampened demand for consumer goods, particularly in the retail trade, and Swedish companies cited them as a reason for preferring to invest and expand production abroad.

Since February, there has been a net currency inflow of about 20 billion kronor (\$3.3 billion dollars). "They can't resist the high yields," Mr. Dennis said.

Nobel to Buy Chemical Unit

Stockholm — Nobel Industrier AB of Sweden said it had reached agreement in principle to acquire Stora Kemi from the forestry group Stora Kopparbergs Bergslags AB for 1.925 billion kronor (\$320 million).

Nobel said in a statement that the chemicals concern would be included in its Eka Nobel unit, which supplies chemicals to the forestry industry. It said Eka Nobel would have a turnover of 4 billion kronor after the acquisition.

Stora Kemi has an annual sales of 1.3 billion kronor and employs around 800 people, Nobel said. It mainly manufactures bleaching products for pulp.

Royal Dutch Profit Falls Within Expected Range

Compiled by Our Staff From Dispatches

The Hague — Royal Dutch/Shell Group said Thursday that its net profit fell 36.3 percent in the first quarter, to \$816 million (\$1.37 billion), on a historical cost basis, a result that was within the market's expected range.

The British-Dutch petroleum company said its refining and marketing operations improved significantly on an estimated current cost of supplies basis, thanks to rising profit margins. But the division's earnings were down on the year earlier quarter, which included substantial inventory holding gains.

For the first quarter, Shell's overall profit on the current-cost basis, which values inventories at market rather than purchase prices, fell 25.6 percent, to \$826 million. Sales rose 22.7 percent, to \$17.5 billion.

Operating profit had fallen considerably in the chemicals sector after reacting a very high level in the same period last year, the company said, without giving further details.

The company also suffered

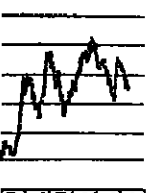
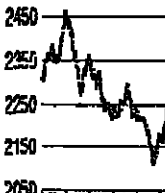
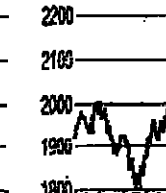
losses on currency fluctuations and increased financial costs in the first quarter. During the 1989 period, Shell made money on exchange-rate moves and posted revenue from real estate sales.

Production earnings in the United States rose to \$60 million from \$22 million, as higher prices offset lower production. But American refining and marketing operations lost \$14 million, compared with a \$57 million profit.

Nick Anthill, oil analyst at County Natwest, described the results as "very solid."

For the quarter, analysts had predicted historical net profit of \$690 million to \$930 million. After the figure came in at about the midpoint, Shell's shares rose. On the London Stock Exchange, Shell Transport & Trading PLC, which accounts for 40 percent of undistributed net income, rose to 406 pence a share, up from 454 pence on Wednesday. (AFP, Reuters)

Investor's Europe

Frankfurt Commerzbank	London F.T. 100 Index	Paris C.A.C. 40		
				
Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	CBS Trend	119.70	118.30	+1.18
Brussels	Stock Index	6163.50	6168.44	-0.08
Frankfurt	Commerzbank	2249.90	2274.40	-1.08
Frankfurt	DAX	1841.58	1841.77	-0.01
Helsinki	UNITAS	570.30	565.80	+0.80
London	Financial Times 30	1795.70	1739.80	+3.21
London	FT-SE 100	2284.40	2221.10	+2.85
Madrid	General Index	285.06	286.34	-0.45
Milan	MIB	1052.40	1039.90	+1.20
Paris	CAC 40	2103.94	2070.70	+1.61
Stockholm	Aftersvaeriden	N.A.	1164.40	-
Zurich	SBS	646.60	642.70	+0.61

Source: AFP

International Herald Tribune

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High	Low	Open	Close	Volume	Div	Yield	P/E	52 Wk High	52 Wk Low	P/A	CM
12	12	12	12	12							
13	13	13	13	13							
14	14	14	14	14							
15	15	15	15	15							
16	16	16	16	16							
17	17	17	17	17							
18	18	18	18	18							
19	19	19	19	19							
20	20	20	20	20							
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23	23	23	23	23							
24	24	24	24	24							
25	25	25	25	25							
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12 Month	High	Low	Stock	Div	Yld P/E	31	52 High	Low	P/E
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2	170	164	Tobacco	20	13	10	10	15	15
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4	170	164	Tobacco	20	13	10	10	15	15
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Sales figures are unaffected. Yearly high and lows reflect
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 data of prior years. Where a split or stock dividend occurs 12
 months prior to the current year's high and low, the high and
 dividend are shown for the new stock only. Unless otherwise
 noted, rates of dividends are quoted "about" their base
 rate.
 a - dividend also extends
 g - dividend in dividend plus stock dividend.
 c - dividend divided.
 d - called.
 g - New Year's Eve.
 g - dividend declared or paid in preceding 12 months.
 g - dividend in Canadian issue, subject to 10% non-residence
 tax.
 g - dividend declared after split or stock dividend.
 g - dividend over 10 years, omitted, deferred, or no action
 taken of future dividend.
 g - dividend in 1954 year, its accumulative
 issue with dividends in arrears.
 g - dividend in 1954 year, its accumulative
 issue with the share of treasury.
 g - their day delivery rate.
 P/E - price earnings ratio.
 g - dividend declared or paid in preceding 12 months, plus
 a - stock split. Dividend basis with date of split.
 g - dividend paid in stock in preceding 12 months, estimated
 basis.
 g - New Year's high.
 g - dividend declared or paid in preceding 12 months.
 (v) - by bankruptcy or receivership or being recommended
 for liquidation or reorganization or acquisition of stock
 company.
 g - dividend distributed.
 g - when bought.
 g - as dividend or non-dividend.
 g - dividend declared and sales in full.
 Val - value.
 2 - sales in full.

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INTERNATIONAL FUNDS

quotes based on issue pr
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Quotations supplied by funds listed. Not asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price. The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - quarterly; (t) - twice weekly; (m) - monthly

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AS - Australian Dollars; A\$ - Austrian Schillings; BF - Belgian Francs; C\$ - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; L£ - Italian Lira; L\$ - Luxembourg Franc; M\$ - Maltese Lira; P\$ - Philippine Dollar; S\$ - Singapore Dollar; SF - Swiss Francs; Y-Yen; a - asked; + - Offer Price; N/A - Not Available; L/C - Net Committed; e - New; & - extended; S/S - Stock Split; * - Dividend; ** - Ex-Rts; @ Offer Price Incl. 3% premium charge; + - Port exchange; ++ - Amsterdam exchange; e - misquoted earlier; x - not registered with regulatory authority

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SPORTS

Lakers Had Magic but Faded Without Kareem in Playoffs

By David Aldridge

Washington Post Service

LOS ANGELES — Magic Johnson didn't sleep at all Tuesday night. Tossing and turning and figuring out what had happened to winning time with the Los Angeles Lakers.

Summarily dispatched by the Phoenix Suns in five games in the Western Conference semifinals after Tuesday's 106-103 defeat, the Lakers missed the conference finals for the first time since 1981.

Immediately after the game, the questions began: Did they miss Kareem Abdul-Jabbar? Is the dynasty that won five championships in nine seasons over?

The answers: Yes. Maybe.

"I don't know what I'm going to do," Johnson said Wednesday. "It's like a big blank and I don't know how to fill it in. I never plan anything until after June. It's tough for me to swallow."

That Phoenix ousted the Lakers does not rank as an all-time National Basketball Association upset. The Suns won 30-plus games during the regular season. They have all-stars Kevin Johnson and Tom Chambers, and excellent role-players in Jeff Hornacek, Eddie Johnson, Dan Majerle and a former Laker, Kurt Rambis.

"Kevin Johnson is a unique player," the Lakers' coach, Pat Riley, said. "We tried to do everything we could with him. He just rose to the occasion."

Plus, Phoenix was itching for another crack at Los Angeles after getting swept last season in the Western finals. But no one expected this: beating Los Angeles twice in three games at the Great Western Forum after losing 21 straight there.

The Suns pounded the Lakers inside with center Mark West and Rambis, shot the lights out from the perimeter with Hornacek, and had Kevin Johnson to break down the Lakers' defense any time he desired.

"We just got outplayed," forward Orlando Woolridge said. "They are a team that plays the same style that we do, but they just did it better. They ran when it was there, they hit the open shot, and they played great defense. One of the keys was Rambis' defense on James [Worthy]."

"A lot of people say 'Well, James missed a lot of shots.' He normally doesn't miss those shots. Kurt and Tom did a good job on him defensively."

Worthy was as frigid against Phoenix as he had been torrid against Houston in the first round. After averaging 28 points against the Rockets, he averaged 21 against the Suns. But in the last two games, he had 16 and 14 points, and was a combined 10 of 40 from the floor.

Another culprit was Byron Scott, with 12 of 32 field

goals the last three games. The hamstring that Scott pulled before the NBA finals last season healed, but his leg was much weaker.

That left Magic Johnson to carry the offense. He scored 43 points in each of the last two games, playoff career highs. But that's foreign to his game. Rarely has a player been so loath to score so much.

"If it doesn't register a win, then it wasn't good enough," he said. "I always know I can do that. That's no problem. You give me the plays and I can score 30, 40 points. I don't want to be like that. I don't want to get into scoring 30 points."

"It's better for us, at least since I've been here, to spread the wealth around," Johnson added. "That way they can't zero in on one guy. You win more games with more guys. But I just had to do that because it wasn't dropping for the other guys."

Said Kevin Johnson: "We knew Earvin was going to come out and have a big ballgame. We just wanted to try to limit the effectiveness of the other guys. . . . We were able to neutralize them [Worthy and Scott] and not let some of the other guys get going."

Much was made of the fact that the Lakers won 63 regular season games in accumulating the league's best record. But regular season and postseason have never been directly related. The playoffs have always meant a different mindset. But Los Angeles never got into that frame of mind.

The Los Angeles first-round victory, 3-1, over Houston was a struggle. The Lakers had to overcome double-digit deficits in each of the first two games at home. But the Rockets didn't have enough depth to take advantage.

Here, Magic Johnson said, is where a certain recently retired center may have helped.

"Every year we changed it over from the regular season to the playoffs," Johnson said. "And that never happened. . . . We knew it was going to be tough. Everybody knew that. . . . But we used to crank it up another notch. That's where I think you miss a guy like Kareem and the other guys who knew what to do and turned it over."

Now comes the talk of change. Riley could be doing color commentary for NBC next season. The core of Magic Johnson, Worthy, Scott and A.C. Green is aging. Though rookie Vlade Divac gave the Lakers a boost, he is not the force needed to contest with the big bodies of the Suns. Or the Trail Blazers. Or the Spurs.

But Magic Johnson will not talk about taking a back seat. It is not in his makeup.

"Once you learn how to lose, it's time to go, time to get out," he said. "If I learn how to lose, how to be a good loser, then I might as well go down to the YMCA and then I can really accept it. That's just me. I'm not ever going to accept it."



Charles Barkley battles for control with the Bulls' Stacy King (34) and Michael Jordan. The 76er stalwart could not do it alone.

Bulls Knock Out Sixers

By Clifton Brown

New York Times Service

CHICAGO — When Michael Jordan plays the way he did Wednesday night, he needs only a little assistance. Scottie Pippen provided more than enough.

Jordan (37 points) and Pippen (29 points) led the Chicago Bulls to a series-clinching, 117-99 victory over the Philadelphia 76ers.

By winning the best-of-seven series by 4-1, Chicago advanced to the Eastern Conference final for the second straight season, where the Bulls will meet the Detroit Pistons, beginning Sunday in Auburn Hills, Michigan.

It was an emotional evening for Pippen, who missed the fourth game of the series on Sunday because of the death of his father.

And it was a frustrating night for Charles Barkley, Philadelphia's scoring and emotional leader, who was held to 17 points, seven of them in the second half.

"I sympathize with Charles sometimes," said Jordan, who made 17 of 26 shots from the field. "He's carrying a load. There's a lot of pressure on him. I'm pretty sure they'll look at that and try to give

him more help as they build this team."

"I expected a seven-game series," Jordan said, "but you have to give us credit for the way we played. A lot of guys stepped up for us."

Trailing by 63-62 at halftime, the

NBA PLAYOFFS

Bulls opened the third quarter with a 14-2 burst to take a 76-65 lead, and never looked back.

Jordan began the run with a jump shot from the top of the key, then Pippen followed with a 3-point shot that gave Chicago a four-point lead. After a John Paxson steal, Jordan swished a 3-point shot of his own, then Pippen followed with a 15-foot (4.5-meter) jump shot.

As they had done throughout the series, the Bulls double-teamed Barkley relentlessly, daring his teammates to beat them.

The plan worked to perfection. Hersey Hawkins's offense suffered because he expended too much energy trying to defend Jordan. Point guard Johnny Dawkins, who

scored 15 of his 17 points in the first half, disappeared in the waning moments.

Forward Rick Mahorn (10 points) was only a shadow of his usually intimidating self, hampered with a sprained left knee. And without reserve Derek Smith, who missed the series with tendinitis of the knee, the 76ers had only six effective players.

By the end of the series, Barkley and his teammates looked mentally and physically drained. Barkley continued his nightmare at the free-throw line, missing five of 10 foul shots. On Sunday, Barkley missed nine of 15.

"I was worn down," Barkley said. "It's very frustrating having to score a lot, rebound and play defense, but that's all part of my role. I take the good with the bad. The bottom line is that we got beat by a better team. They had more depth and better players."

The 76ers looked fresh as they jumped to a 17-10 lead. But Jordan took charge from the beginning, scoring eight of Chicago's first 10 points. Most of his early points came on jump shots.

Injuries Saddle the Preakness Field

United Press International

BALTIMORE — Unbridled, the Kentucky Derby winner, and Summer Squall, the runner-up, were posted Thursday as the 7-5 favorite and 2-1 second choice respectively in a Preakness Stakes field suddenly reduced by career-threatening injuries to two top challengers.

The two favorites drew side-by-side into the No. 6 and 7 post positions for the one-and-a-half-mile middle jewel of the Triple Crown to be run at the Pimlico track near Baltimore. Just two hours earlier, the Derby's third-place finisher, Pleasant Tap, and the highly regarded Champagne-forsley were withdrawn.

Trainer Chris Speckert announced Thursday that Pleasant Tap would be out of training at least two months with a strained tendon.

Once-beaten Champagne-forsley took a misstep during a Thursday morning gallop and fractured a bone in his right foreleg.

There are no guarantees that either colt will make a successful return.

Mister Frisky, the Derby favorite who ruined a 16-0 record with an eighth-place finish in Derby, was installed as the 3-1 third choice in the Preakness.

The field, with jockeys and odds, from the fence out:

1. Music Prospector, Frank Olivares, 30-1; 2. Land Rush, Angel Cordero, 10-1; 3. Baron de Vaux, Joe Rocco, 20-1; 4. Kentucky Jaz, Kent Desormeaux, 15-1; 5. Fighting Notion, Albert Delgado, 30-1; 6. Unbridled, Craig Ferrel, 7-5; 7. Summer Squall, Pat Day, 2-1; 8. J.R.'s Horizon, Mark Johnston, 50-1; and 9. Mister Frisky, Steven, 3-1.

The \$666,000 total purse is the richest in the 115 runnings of the Preakness. The winner will get \$445,900; the second-place finisher, \$137,200; third, \$68,600; and fourth, \$34,300.

The race is scheduled to go to post at 5:32 PM local time (2132 GMT).



Vlade Divac of the Lakers appears stunned as he looks at the scoreboard and sees defeat looming.

Fignon Gears Up for Tour of Italy

Reuters

BAR, Italy — France's Laurent Fignon sets out to defend his Giro d'Italia cycling crown on Friday against an international field of 195 riders and the most impressive Italian challenge in four years.

Booyed by the victory of Marco Giovannetti in the Tour of Spain on Tuesday and of Gianni Bugno in the March Milan-San Remo Classic, the 39-year-old rider has high hopes of securing the Giro title that has eluded him since 1986.

"My morale is very high. I'm in top shape physically and mentally," Bugno said on the eve of the start.

The 73rd edition of the tough three-week race runs for 3,464 kilometers (2,152 miles). It leaves the early summer heat of southeastern Bari and snakes coast to coast up the peninsula to the Dolomites and the Alps before finishing in Milan on June 6.

Although two stages shorter than last year, the 1990 Giro is no less challenging. Organizers have programmed 10 mountain stages, scattered liberally throughout the race. And on five days the riders face steep uphill finishes.

Despite the confidence of the Italian camp, the 29-year-old Fignon sees his main threat coming from his own battle to recover from the flu he had last month and from a fellow Frenchman, Charly Mottet.

"I'm a bit below the form I was last year, but that's normal given that I've been out for a while," said Fignon. "But I'm not worried. I've come here to win."

"Mottet is in the best form," Fignon continued. "He's always been an adversary and now I'll have to look out for him as well as the other challengers."

Mottet, fresh from winning the tour of Romania in Switzerland last week, said he saw the Giro as a warmup for the Tour de France and would be happy to finish in the top 10 in Italy.

Riders say the race will probably be decided in the 170-kilometer 16th stage on June 2, when the pack must twice scale the 2,239-meter (7,341-foot) Porco Pass, the highest in the Dolomites.

LeMond, who won the Tour de France last year, is scheduled to ride, but he has also been plagued by illness this season.

Fignon will be strongly challenged by Italy's Flavio Giupponi, last year's runner-up, and the Dutch pair Steven Rooks and Gert-Jan Theunisse.

Andrew Hampsten of the United States, the Giro champion two years ago, has decided not to compete this year, and the field will also be depleted by the absence of Erik Breukink of the Netherlands, Ireland's Stephen Roche and Sean Kelly, who was injured in a fall last month.



Laurent Fignon will be tested by 89 Italians.

How U.S. Amateurs Go Far on Less

By Samuel Abt

International Herald Tribune

BOSTON — As the Tour de Trump showed, big budget is not necessarily better among professional bicyclists.

Finishing second and third behind powerhouse PDM in the overall team standings that measure consistency were two of the lowest-budget squads in the race, A.C. Pinarello and Spago. Both were amateur teams until they turned professional this year.

With its rider Raul Alcalá finishing first, PDM, based in the Netherlands, won the team and individual championships. And well it should have: PDM's budget is the guild equivalent of \$3.5 million a year.

Pinarello, by contrast, will spend \$300,000 this season. Spago's budget is \$125,000. In the 19-team field, both finished ahead of such big spenders as 7-Eleven, budgeted at more than \$3 million. Panasonic, at more than \$5 million, and Z, at nearly \$6 million, including Greg LeMond's \$1.5 million salary.

How does a team win two stages in the 11-day Tour de Trump on such bargain-basement financing?

"It's not easy," admitted Tom Kaplan, 32, the general manager for Spago, which is sponsored by the California cuisine restaurant of the same name in Los Angeles.

Both Kaplan and Chris Wight, 30, the coach and sponsor for Pinarello, are former riders who say they run teams because of their love for bicycling.

"You get hooked by the sport," said Wight, who raced for 14 years. Based in Fort Collins, Colorado, he is a trader in financial options who puts his own money into the team. "The market's been pretty good to us and it enables us to play the game," he said.

Like Kaplan, he is searching for more corporate sponsors. "We're trying to jump-start a national-class cycling team, and it's required a substantial influx of cash to build enough credibility until we can attract sponsors. I think we're right on the verge," Wight added.

Kaplan is equally optimistic. "We're in it for the

long haul," he said, "and these results will certainly help." He leads more than 15 amateur riders in Southern California and eight professionals, each of whom is paid \$3,000 a year.

"It's almost embarrassing," Kaplan said. His team offers young riders a showcase to improve their lot, with the Spago management providing organization and guidance while promising not to stand in their way.

Still, more money would help. "I'm going to try to raise \$50,000 for the rest of this season," Kaplan said, "and will aim for \$500,000 next year so we can take our program a long way."

That fundraising effort will involve some of the fancier sponsors in the sport, which usually counts on bicycle-equipment manufacturers. Spago sponsors include Finlandia vodka, Evian mineral water and The Dalmore single malt scotch. The team is primarily supported by the frozen pizza company run by the restaurant's chef, Wolfgang Puck, whom publicity literature describes as "the celebrity chef."

The softspoken and friendly Kaplan can handle the hecklers. "To a certain degree it's a yuppie sport even if I do hate that word," he said.

He added that Puck, a native of Austria who helped introduce Americans to nouvelle cuisine at Ma Maison in Los Angeles a decade ago, was interested in the sport but preferred to stay in the background, if not the kitchen.

"He likes it when we win and can't always understand it when we don't," Kaplan continued. "He was very pleased after we won the Winchester-Harrisburg stage and it was shown on television in Europe and friends all over the continent called to congratulate him."

The main force behind the team is Kaplan, who grew up in Stamford, Connecticut, and graduated from Bowdoin College with an art and architecture background. He went to work for Puck in 1981 and is now a general partner and general manager of Spago.

"The restaurant is simple and unpretentious," he said.

But very chic? "It's very chic," he agreed.

SIDELINES

Washington Gives Lottery No Chance

WASHINGTON (UPI) — In an emergency measure, the District of Columbia City Council has rejected a proposed sports lottery after learning it would hinder the city's effort to obtain a major league baseball franchise.

The city's lottery board had tentatively approved the legalization of sports gambling on May 2. But last week the commissioner of baseball, Fay Vincent, implied that a sports lottery would prevent the city from being considered for an expansion franchise.

The emergency legislation Wednesday eliminated the 60-day congressional review period. The council is eventually expected to permanently outlaw sports lotteries.

Some Emblems Banned in Australia

SYDNEY (Reuters) — Violent clashes between rival fans from different ethnic groups have prompted the New South Wales Soccer Federation to ban national flags and emblems other than the Australian flag at matches, an official said on Thursday.

"We are supporting club flags . . . [but] what we don't want to see is the Greek flag or Macedonian flags or whatever," the federation's general manager, Ian Holmes, said. He added that political banners and placards would be included in the ban being introduced June 1.

For the Record

David Gaines, 27, was killed Wednesday in a multi-car crash at Charlotte Motor Speedway in North Carolina while practicing for NASCAR's new Sportsman Division. (AP)

Aaron Pryor knocked out Daryl Jones in three rounds just hours after a judge allowed the former junior welterweight champion to enter the ring. Pryor, 34, who is legally blind in his left eye and had not fought since December 1988, improved to 38-1 by dominating the welterweight fight Wednesday night in Madison, Wisconsin. (UPI)

Joe DiMaggio, the former New York Yankees star, won an honorary doctor of laws degree Wednesday from Columbia University. (AP)

Dynamo Moscow, the Soviet first division soccer leader, will play a four-game exhibition series, three against U.S. club opponents, beginning May 26 and ending June 3 against the 1988 American Soccer League champion Washington Diplomats. Dynamo Moscow opens the tour against the North East Soccer League's All-Stars at Hofstra University, then plays the Boston Bolts at Boston University on May 28, and the Hamilton Steelers on June 1 in Hamilton, Ontario. (AP)

Liswich Town of the English league second division has decided not to renew the contract of the former Soviet international, Sergei Baltacha, the first Soviet soccer star to play for an English league team. (Reuters)

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division

W	L	Pct.	GB
1	1	.500	—
2	2	.400	1 1/2
3	3	.333	2 1/2
4	4	.286	3 1/2
5	5	.250	4 1/2
6	6	.222	5 1/2
7	7	.200	6 1/2
8	8	.182	7 1/2
9	9	.167	8 1/2
10	10	.154	9 1/2
11	11	.143	10 1/2
12	12	.133	11 1/2
13	13	.125	12 1/2
14	14	.118	13 1/2
15	15	.111	14 1/2
16	16	.105	15 1/2
17	17	.100	16 1/2
18	18	.095	17 1/2
19	19	.090	18 1/2
20	20	.087	19 1/2
21	21	.083	20 1/2
22	22	.080	21 1/2
23	23	.077	22 1/2
24	24	.074	23 1/2
25	25	.071	24 1/2
26	26	.069	25 1/2
27	27	.067	26 1/2
28	28	.065	27 1/2
29	29	.063	28 1/2
30	30	.061	29 1/2
31	31	.059	30 1/2
32	32	.057	31 1/2
33	33	.055	32 1/2
34	34	.053	33 1/2
35	35	.051	34 1/2
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48	48	.025	47 1/2
49	49	.023	48 1/2
50	50	.021	49 1/2
51	51	.019	50 1/2
52	52	.017	51 1/2
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57	57	.007	56 1/2
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West Division

Boston	18 14	.562	
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OBSERVER

Inners and Outers

By Russell Baker

PLANS are afoot for building another beltway around Washington.

It would lie outside the present beltway, so, naturally, it is already being called "the outer beltway." This means the present beltway will have to be called "the inner beltway," and thus we embark on a rewriting of the dictionary of American politics.

For instance: What is now the noblest place in this world of ours? It is that splendid region called Outside the Beltway. Because that's where the real people live. The place inhabited by the other kind of people is called Inside the Beltway.

Since the real people live Outside the Beltway, you can readily imagine what kind of people live inside the Beltway. Let us not describe them in a family newspaper meant for breakfast reading. No, they are not a people totally insensitive to the real people, but they have a highly undesirable form of mentality. It is called an "inside-the-beltway mentality."

Is there no cure for inside-the-beltway mentality? No, I have seen it cured many times when politicians from inside the Beltway seek re-election. They come Outside the Beltway, often to our town.

I always take the whole family — grandparents, children, the cats, the parakeet, old Uncle Tom Cobby and all — when one comes to town. It is good for all, hearing the fellow declare his delight at being back among the real people. "That's us," I tell the family.

He makes us tremble describing the agony suffered by sensitive but heroic folks like himself thrust into daily contact with people among whom inside-the-beltway mentality is rampant. Coming among the real people who inhabit Outside the Beltway bucks him up and gives him the heart to go back Inside the Beltway.

Naturally, we are delighted to send him back. We don't want him hanging around town for the next two or four or six years, stopping us on the sidewalk every time we take a walk, telling us we are real people. Like most residents of Outside the Beltway, we get bored with politicians treating us like half-wits except at election time.

All right, having heard so much

about the situation Inside the Beltway, I selected my present abode only after maps showed it was safely located miles Outside the Beltway. And a shrewd move it was, too.

Occasionally we must visit Inside the Beltway when desperate for consumer goods more interesting than beer, carbonated soda pop, cigarettes and the top ten paperback sellers, and it is always an eerie moment when we cross the beltway.

Even in fog so dense we cannot see signs saying "Beltway," we feel sudden ringings in the ears and strange tinglings in fingers and toes and know inside-the-beltway mentality is setting in.

But now with this outer beltway project, we may suffer beltway enclosure after all. The insane worshippers of the highway god heed no pleas for mercy.

Even when their dream is realized — the entire United States covered with asphalt — it is said they will not consider the highway god propitiated until they cover the continent with three upper decks for parking.

The old geography will inevitably change with an outer beltway. Everything will become more complicated, more subtle, more difficult to understand.

Inside the Beltway will no longer be sufficiently precise to indicate the Really Bad Place. What we now call Inside the Beltway will become Inside the Inner Beltway.

There will be a new zone outside the inner beltway but inside the outer beltway. Who knows what it will be called? "Between the Beltways," perhaps. Or maybe, "Inside the Outer Beltway." Surely not "Inside the Outer but Outside the Inner Beltway."

Whatever its name becomes, inhabitants of this wretched region, destined to be crushed in the highway lobby's coils of serpentine concrete, will be stigmatized by the embrace.

By having this far-out Washington gasoline alley looped around us, we will no longer be residents of wonderful old Beyond the Beltway where the real people lived.

Heed our pain, other real people. Washington's growth potential is limitless, and the lust of the highway god unquenchable. You are all in danger of losing your reason.

New York Times Service

Cro-Magnon Art Ateliers? Probably So

By John Noble Wilford

New York Times Service

MORE than bones or hand-wrought stone tools, paintings on cave walls awaken the recognition of kinship between modern humans and their prehistoric ancestors.

New discoveries in France seem to resurrect these artists at work, sketching their visions in charcoal, mixing the paints and creating distinctive palettes. French scientists, applying advanced chemical analytical techniques to the paintings, have determined the first precise dates for the art, mostly between 12,000 and 14,000 years old.

They found that, contrary to widely held assumptions, scenes of bison and horses painted in the same style and often on the same cave wall in the Pyrenees were not necessarily done by the same artists or even in the same century. In one of the most intriguing findings, variations of ingredients were detected in the pigments that could be the signatures of this or that Cro-Magnon artist who told stories on cave walls.

Perhaps these were only chance differences, betraying nothing more than the changing availability of certain materials or the impurities that can creep into one batch of another. Or it may be, the scientists said, that each prehistoric artist or group of artists had its own hallmarks paint recipes just as did the studies of Renaissance Italy.

If this can be established, experts on these creative Stone Age hunters said, further study might determine the range of influence over time and geography of particular schools of prehistoric art. Research indicating the differences in paint recipes among the artists was conducted last year by a team of scientists at the research laboratory at the Louvre in Paris and was reported in The Bulletin of the French Society of Prehistory.

More recent findings were described recently by Jean Clottes, the French government's director of prehistoric research in the Pyrenees, in an interview by telephone from his home in Foix, near the Niaux cave. Clottes emphasized that results of the pigment analysis were only preliminary, based on about 60 tiny



Illustration: Herald Tribune

samples. Scientists are expanding the investigation to more caves and to much earlier paintings, some believed to be as much as 25,000 years old.

Randall White, an associate professor of anthropology at New York University and a specialist on the cave art, praised the research as being "extremely careful and rigorous" and said the implications of the findings were "broad new to our knowledge of what went on inside those caves."

Much of the research so far has been conducted at the Niaux cave, where the paintings in the Malouin chamber known as the Salon Noir are among the most spectacular and best preserved of the genre. A parade of bison, horses (some with beards), deer and ibexes decorates the walls

panels that seem to be interrelated, thus suggesting that the work was executed by contemporary artists following a well-defined organizing principle.

But charcoal found in the paint and also used in the black outlines of the depicted animals has been analyzed to establish dates for the paintings. The paintings were not done in a few weeks or years, Clottes said, but over a few centuries.

"Some styles of painting persist 1,000 or 2,000 years," he said, "but we see more changes in the paint recipes."

To analyze the paint content without damaging the paintings, the scientists used electron microscopes with X-ray attachments and also mass spectrometers designed to separate and identify

individual chemical elements in samples no larger than the tip of a needle. Such refined analysis of minuscule samples was not possible until a few years ago. The samples were usually extracted from cracks in the cave wall where thick layers of paint tended to collect.

The red pigments, and occasional yellows, were derived mainly from ochre, an iron oxide found in clays. The mineral was ground to a powder and mixed with water and other materials.

The only other paint on the Stone Age palette was black, a shade produced with either charcoal or manganese oxides as the chief ingredient. What the artists used for binder in the paint, the ingredient to make it adhere to surfaces and not crack, is unknown because it probably was organic material that degraded over time; binding substances in some primitive paints have been egg white and blood.

The main variation in the prehistoric recipes was the substance used as the extender, the powders that take on the dominant color or blend with it when added to make a little of the basic pigment go a long way.

Of the distinct recipes for paints found at Niaux and on carved bone artifacts from La Vache, a nearby cave where the prehistoric artists may have lived, another extender and yet another biotope, a black or dark green mica. These different paint mixes, as well as some marked variations in trace elements, set archaeologists musing. Were these expressions of cultural values?

They speculated that women might have used one recipe and men another, or that different paints might be concocted for artistic expressions associated with spring or autumn ceremonies.

But dating of the paintings revealed that chronology was at least part of the explanation. Clottes said the Niaux paintings from the period between 13,000 and 14,000 years ago were made from a recipe including feldspar. Those from the more recent period, between 12,000 and 13,000 years ago, had large amounts of biotite.

Working with Clottes in analyzing the paint are Dominique Buisson, Michel Menu and Philippe Walter, physicists at the Research Laboratory of the Museums of France at the Louvre.

The scientists also discovered that the artists in Niaux's Salon Noir worked deliberately. In many cases, they must have drawn the animals in charcoal and then, if pleased with the outlines and organization, they applied the reds and blacks for the finished product.

"You feel close to them," Clottes said. "They must have been down there hours at a time for weeks. You can imagine the smoke from their torches and grease lamps, and the smell. But I'm not sure we will ever understand their thoughts that went into this art."

PEOPLE

'King' Musical Closing After a 6-Week Run

"King," the musical about Martin Luther King Jr., will close on June 2 after a run of six weeks. The show took less than \$100,000 (\$170,000) in advance bookings, but cost \$2.8 million. "King" opened almost three weeks late after losing two directors and two writers. The lyricist Maya Angelou, and King's widow, Coretta Scott King, withdrew their support, claiming the show trivialized King's life. Mrs. King subsequently restored her support. Most critics panned the show.

The honorary chairman of a major Japanese paper company is the buyer of the world's most expensive painting, a van Gogh that cost him \$87.5 million, the economic newspaper Nihon Keizai said Thursday. The paper quoted Ryosai Saito, 74, as saying in an interview that the painting was \$33 million more than he expected. But, he said, "I am extremely pleased with the purchase." Saito was president of the Daishowa Paper Manufacturing Co. from 1961 to 1982.

Paulette Goddard left New York University more than \$20 million and the papers of her late husband, the novelist Erich Maria Remarque, the university said. The retired actor died at age 84 April 23 in Switzerland.

The executive director of the Joffrey Ballet, Penelope Curry, has resigned, but declined to comment on her reasons. Her resignation followed those of the Joffrey board's co-chairman, Anthony A. Bliss and David H. Mankoff.

The novelist E. L. Doctorow, the radio humorist Garrison Keillor and 43 other artists, writers, composers and architects were honored by the American Academy and Institute of Arts and Letters in New York. The academy bestowed \$500,000 in awards, fellowships and scholarships on the winners. Doctorow won the Howells Medal, given once every five years for the best work of American fiction, for "Billy Bathgate." The Medal for Spoken Language was given to Keillor, whose new radio series, "American Radio Company of the Air," follows his successful "A Prairie Home Companion" series.

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